FOREIGN AFFAIRS

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JULY 1946

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The Editors.

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FOREIGN AFFAIRS

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AGREEMENT ON GERMANY: KEY TO WORLD PEACE

By Georges Bidault

THE troubles of the war-shattered world are like a tangled skein. The threads have to be straightened out; but this cannot be done by pulling at the end of one thread after another. The skein is full of knots, and the main knot is Germany.

The fact cannot be dismissed as a French obsession. Only yesterday the breeding place of war, today a fathomless gulf, Germany is in truth the world's Number One problem. For the French to point this out does not mean that they are just taking an emotional stand against "the hereditary enemy." The French thesis is based neither on thirst for conquest nor desire for reprisals. Evidence of this can be seen in the rejection of the policy of annexation by the Provisional Government of the Republic. Perhaps it will be permissible here for the President of the National Council of Resistance to recall that during the battle for the liberation of Paris he went to the city hospital to salute the wounded Germans, because they too were among the fallen and because France cares deeply for justice and does not confuse it with vengeance.

From the French point of view, the German question is first of all a problem of security. In this connection, no one in the world will deny that geographically and politically France constitutes a nerve center, and that when it is struck the most serious and far-reaching repercussions invariably follow. Even before two world conflagrations had demonstrated the truth of this dictum, a great American statesman, Theodore Roosevelt, said in 1905, apropos of the Morocco crisis: "If the German armies had overrun France, we in America would not have kept quiet."

Within the arc of indivisible security there admittedly are lines which must be watched with particular care. It must also be ad-

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mitted that the countries situated along such lines have had the opportunity to develop definite ideas about the necessary guarantees of security. Therefore, when France declares that her security and by implication world security call for certain measures, her suggestions would seem at least to be worthy of sympathetic examination. These recommendations — which are now common knowledge — are the result of much thought. It should be added that they are permanent. And it may further be said that, despite the interpretation of those who are always quick to discover conflicting tendencies in every conceivable political position, these conclusions are neither an expression of the personal opinion of one man, nor the tactics of a partisan political group; they are, on the contrary, the rational objectives of a nation and state. In this supremely important issue, that nation can properly ask to be accepted by the world not as a special pleader but as an expert.

On January 17, 1946, I made the following statement in the National Constituent Assembly:

> The security of Europe and the world requires that Germany be deprived definitely of the war potential represented by the resources and raw materials of the Rhine-Westphalian region, and that the Rhine districts shall never again be able to serve as a zone of passage, arsenal and base for invasion.
>
> The mines of the Sarre, transferred to French ownership by the Versailles Treaty, must again become French property, with as corollary the inclusion of that territory in the French customs and monetary systems, the two economies being complementary.
>
> As for the Ruhr, Europe's immense treasure-house, consisting of coal mines and the factories associated with them, employing in normal times five million workers, the French Government considers that, in conformity with the general interests of humanity, it must be treated as a political entity independent of Germany and placed under a régime of internationalization both political and economic.

To complete the statement of the French plan with regard to the Rhineland, it should be added that sufficient military forces must be stationed permanently in the German territories situated on the left bank of the Rhine, besides, perhaps, in some bridgeheads on the right bank. Politically, the Rhineland ought to be a part neither of Germany nor of France. It should be free to manage its own affairs, with the reservation that it be permanently demilitarized and under inter-Allied military control.

The governmental declarations of January 17 were approved by a unanimous vote of confidence of the Assembly.

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On May 27, 1945, the President of the Government replied as follows to an interpellation of M. Capitant in the Constituent Assembly: "The French thesis forms a complete, coherent and organic whole which has many times been the subject of notes between our allies and ourselves. . . . The general lines of this policy have not been changed and continue the same."

Naturally, the expression of the French view has not been limited to speeches in the Assembly. The American, Soviet, British, Belgian, Dutch, Luxembourg and Czechoslovak Governments have been advised of them officially. As early as August 1945 I had occasion to discuss them in Washington with Secretary of State Byrnes. On September 14 the French Delegation submitted a comprehensive memorandum to the Conference of Foreign Ministers in London. On February 18, 1946, a complementary note on the Sarre was delivered in Washington, London and Moscow.

II

It is not within the scope of these present reflections to review the respective positions of the Powers with regard to the French thesis. Moreover, those positions have not thus far been clearly defined — which makes it all the more desirable that they be defined around the conference table. However, it is interesting to examine the hesitancies which have become apparent, the objections which have been expressed. As we shall see, they often extend beyond the specifically German question to touch upon the general situation, proving once again that the German affair is at once a test and a key.

First there is what might be called the humanitarian argument: should a "hard" peace be imposed on Germany? The French answer is that a "soft" peace for Germany would be a surprising or at all events novel idea which could only have germinated since Yalta, for at that time it was decided (France not being represented) that the oldest cities of Prussia — Koenigsberg, Stettin, Frankfort and Breslau — should be amputated from Germany.

Furthermore, just what do we mean in this case by hard or soft? Is it harsh to deprive an inveterate transgressor of the means of repeating his offense? Is there softness in the mass transfers of population which have resulted from the truncation of eastern Germany, and which would in no way be necessitated in the west by the political detachment of the Ruhr, where the proposed

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international régime would have every incentive to maintain a high standard of living?

It is not proper, as I have said, to apply the *lex talionis* — "an eye for an eye" — to the Germans. On the other hand, is it really necessary that we should treat them tenderly? I do not believe that a people may be forever accursed. Despite the evil they have done to us, we French know that the German people are endowed with many good qualities: they are hard working, disciplined and inventive. Unhappily, they also are endowed with a tendency to use those qualities in a dangerous way. Let us not forget that there were very few people in Hitler's Reich who would risk their lives for the simple honor of protesting against the perversities of the régime; that there was hardly one German soldier who refused, at peril of his life, to execute those atrocity orders to which so many martyrs — shot, burned, tortured and lashed to death — bear huge and bloody witness.

And today, after the defeat and annihilation of Nazism, what spirit broods over the ruins of Germany? What do we see in that sullen occupied country?

"First," writes an observer, "one notes such a keen preoccupation with the means of subsistence that very often it conditions the whole attitude of the vanquished toward the victors living among them. Then, there is a general indifference with regard to the Nuremberg trials. Moreover, one is told solemnly — if not heatedly — that those territories in the east between the Memel and Neisse Rivers have produced not only rye and potatoes but also a Kant, a Boehme, an Angelus Silesius, an Eichendorff, authentic representatives of the noblest German thought. Among the survivors of the Wehrmacht are many whose disillusionment is so spurious that they wait the proclamation of a new great adventure, expecting a miracle. Almost everywhere there persists what a German himself recently called the 'pattern of obedience' in order not to call it the *Führerprinzip*."

The recent impressions of Christer Jäderlund, a Swedish specialist on Germany, regarding the present frame of mind of the German youth confirm this report. "How do the Hitler Youth behave when they return home?" he asks. "First, they stare desperately at the ruins. Then, hands in pockets and a quite unmistakable expression on their lips, they watch the passing vehicles of the occupation troops. What interests them? They like to recall incidents in their war campaigns and in the occupied

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countries, and they make the strangest sort of jokes about their new democracy. No wonder foreigners who have lived in Berlin both before and after the capitulation believe that today there are many more Nazis than there were before." He comments: "It is natural enough for simple folk in their despair to draw a parallel between today and the past, and to say: 'Under Hitler we had work and bread. Today we have only democracy.' " And he continues: "Even among the older people you can hear it said: 'What we need is not democracy but a better Hitler.' "

What does all this prove, one may ask, if not the ravages of Hitlerism? Is it not one more reason to help Germany emerge from her misfortunes, which are indeed the worst possible teacher of democracy? Well and good. But it is also a reason for not lulling ourselves with illusions. If some aspects of the German mentality tempted one to follow that course, an antidote would be found in a remark which Friederich Wilhelm Foerster reports as having been made in 1918 by a German to a Swiss who had reproached him for German brutalities. "After all this savagery," asked the Swiss, "what will you do if you lose the war?" The German replied: "Oh, in that case we'll organize sympathy." Shall we once again allow ourselves to be lulled by this kind of "organization"? If so, we shall soon see Joppchen, late Goebbels, popping his head out of a hole and crying: "*Und wir haben doch gesiegt!*" — "Just the same, we did win!"

III

After all, the problem is not how purposely to keep Germany in a state of misery, but on the contrary how to pull her out of it without in the process producing a new catastrophe for the world and for peace.

The French plan has been criticized for not favoring the re-establishment of the German central administration as quickly as possible. Two arguments have been adduced in support of such centralization: a disorganized Germany in the center of Europe is a focal point of danger; and the administration and occupation of Germany constitute such an insupportable burden for the Allies that it must be eased with all dispatch.

No misunderstandings should exist on this subject. The French thesis has never favored the maintenance of an inorganic Germany. This huge black hole obviously cannot be allowed to remain in the middle of Europe forever. But we must decide how

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we are going to fill it — that is to say, agree upon some plan for the political reconstruction of Germany, and know with what group of men such a plan could be achieved.

In addition, it is impossible for France to concede that a central German power should come into being, and should function at her very gates, when in the east a substantial additional margin of safety was arranged by pushing back Germany's borders a prudent distance. For this reason the French Government maintains that the western frontiers of Germany must be determined at the time that a central German administration is reëstablished. Otherwise, the paradoxical consequence would ensue that the amputation of Germany's eastern provinces would have pushed her center of gravity westward, thus increasing German pressure on France.

The argument is also made that in this epoch of the atomic bomb it is an obsolete conception to suppose that France would gain additional security by occupying the Rhineland and thus pushing her military cover some 30 miles beyond her own border. The obvious response to this contention is that precautions of the same kind have been taken along other frontiers, despite the existence of rocket planes and other lightning weapons.

A calculation made in the headquarters of General Clay in Berlin is said to indicate that if the Ruhr were cut off from the rest of Germany the cost to the American taxpayers would be $200,000,000 annually. Plainly, there is no reason why American taxpayers should pay $200,000,000 each year for the sake of detaching the Ruhr from Germany. Nor is there any reason why some years hence they should have to pay $400,000,000,000 for a new war, as they have done for this one. In any event, the economic consequences of segregating the Ruhr seem at least to be a subject worth discussing.

What France in fact proposes to do is to deprive Germany of the arsenal of the Ruhr but to establish there an economic régime which will permit the freest possible exchange of goods with both the west and the east, including, naturally, the rest of Germany.

If, in accordance with the French proposals, a part of the resources of the Ruhr is used at least during an initial period to supply a fraction of German requirements, it is enough, in order to be sure that Germany will not become a burden on the United Nations, to know that eventually the Ruhr and Germany together will achieve economic equilibrium with the outside world.

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This is forecast by the estimates of Germany's commercial balance for 1949, submitted to the Control Council at Berlin on January 21 by the representatives of the occupying Powers with a view to establishing the future level of German industry. Although the British foresaw a balance only approximately in equilibrium, the American, French and Soviet studies foresaw an export surplus for the whole of Germany.

To maintain the equilibrium, according to the French plan, the internationalized Ruhr could make a double contribution to Germany, one commercial and the other budgetary:

(1) The Ruhr could sell to Germany coal, steel, metallurgical products and textiles, while buying foodstuffs, iron ore, wooden pit props and artificial fibres. It is anticipated that the resulting balance of payments would be considerably in favor of the Ruhr. The Ruhr could then put at Germany's disposal part of the balances acquired by sales to third parties. Should Germany have a deficit balance with the Ruhr, the Ruhr need only supply her gratis with enough exports to equalize payments between them.

(2) The re-sale by the German state to German consumers of the merchandise delivered free by the Ruhr, and paid for to the Ruhr exporters out of the Ruhr budget, would increase the resources of the German budget. Furthermore, the Ruhr could be charged with the service of the German external debt, particularly the Dawes and Young loans.

The French proposals thus do not overlook economic aspects of the problem. We French are only too conscious of their importance at a time when so much concern is being shown for the economic future of defeated Germany — this in spite of the fact that the coal which formerly sustained the Hitlerite aggression now comes in such meager amounts to warm our homes and run our factories.

One can argue forever about abstract economic questions. If nothing mattered but the welfare of the German economy, the proper conclusion would undoubtedly be that we should restore Hitler's Greater Reich, including the absorption of Czechoslovakia, Austria, Hungary and the rest. Yet the Allies did break that economic bloc. Today we have to decide how to hold on to a result won by such immense efforts and at the cost of such enormous sacrifices. We can do it only by measures that take into account political imperatives. I have the gravest doubt that an international economic control over the Ruhr would be effective

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if it had to deal with a German political power which possessed authority over the officials in the Ruhr and exercised sovereignty there. History demonstrates that a foreign economic control exercised under a national government is a fragile thing. German rearmament began in 1919 under the eyes of the Allied Control Commissions. The resistance forces of the recently liberated European countries know, through their experience under the German occupation, how national administrations, even though officially docile, can thwart, when they wish, the most stringent foreign control.

In the present condition of the Reich some are inclined to doubt that the German danger still persists. Why, they ask, do we maintain such a stubborn attitude toward what is now only a phantom? The German peril, they assert, has certainly lost its reality for a long time to come. Aren't there other dangers to think about? We French are not haunted by werewolves. The realities we have suffered are so bitter that we distinguish them quite easily from shadows. However, we are aware that if the phantom is given the opportunity, it will once again put on flesh. Nor is this by any means an exclusively French conviction. All the pacts of mutual assistance signed in Europe during the past year have been directed against the German peril, showing that it does not seem in the least theoretical to Germany's near neighbors. The instinct of nations is to feel that the firmest union in peace is based on the realities that drew them together in war.

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HAS OUR POLICY IN GERMANY FAILED?

By Edward S. Mason

ALLIED policy in Germany still is formally governed by the Potsdam agreement, though every day that passes increases the doubt whether this agreement can and will be implemented. Why is this the case, and what can we do about it? The danger of a breakdown of Four Power collaboration in Germany is so alarming that our examination of the alternatives still open to the United States should be stated in the most factual terms.

The principal economic provisions of the Potsdam agreement were as follows:

(1) Germany west of the Oder-Neisse line was to be treated as an economic unit. To this end, common economic policies would be established in the various zones and an "equitable distribution of essential commodities" arranged among these zones. Central economic agencies would be established to administer transport, finance, foreign trade, communications and industry.

(2) Reparations were to be collected by the removal of plant and equipment from Germany and by the appropriation of German external assets. The claims of the U.S.S.R. and Poland would be met by removals from the eastern zone, together with a share from the west. The claims of the western Allies would be satisfied by removals from the three western zones.

(3) German productive capacity was to be reduced, by means of reparations transfers and destruction, to a level no higher than sufficient to yield a standard of living in Germany equal to the average of other European countries, exclusive of the United Kingdom and the U.S.S.R.

The decision to partition Germany for the purpose of reparations collections seriously contradicted the decision to treat Germany as an economic unit and sounded an ominous warning of events to follow. It was not made clear at Potsdam whether reparations claims would be satisfied by capital removals or whether payment could also be expected from current output. At American insistence, the payment for necessary German imports was made a first charge on German exports from current output. Obviously, if Germany is de-industrialized to the extent proposed

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at Potsdam, and the "first charge" principle is followed, Germany cannot pay reparations out of current output. But it is by no means clear that this fact is recognized by all the claimants to reparations.

The Potsdam agreement is likewise ambiguous as to whether, once de-industrialization is accomplished, Germany will be allowed to recover. The Department of State announced on December 12, 1945, that "the United States intends, ultimately in coöperation with its Allies, to permit the German people under a peaceful democratic government of their own choice to develop their own resources and to work toward a higher standard of living subject only to such restrictions designed to prevent production of armaments as may be laid down in the peace settlement." However, there is no indication that our Allies would agree to a policy of permitting German recovery. In fact, if we may judge from the Russian reaction to the American proposal for a German disarmament treaty, which contemplated a control of German military capabilities by other means than permanent de-industrialization, such a policy is completely unacceptable.

Meanwhile, in conformity with the Potsdam directive, the Allied Control Council announced on March 28 of this year the levels of industrial capacity and output to be permitted Germany, according to major industrial categories. The production of all finished military items is, of course, prohibited. In addition, it is proposed that a sizable list of militarily-important industries, including synthetic oil, rubber and ammonia, aluminum, magnesium, ball bearings and many others, be eliminated. However, it is provided that "Facilities for the production of synthetic gasoline and oil, synthetic ammonia and synthetic rubber, and of ball and taper roller bearings, will be temporarily retained to meet domestic requirements until the necessary imports are available and can be paid for." Installed capacity for a second group of industries, including iron and steel, chemicals, machine manufacturing and engineering, and transport engineering, will be drastically reduced. The production of steel ingots is to be reduced to 5,800,000 tons as compared with a prewar capacity of about 25,000,000 tons. Finally, for a third group of industries, including coal, potash, many building materials, light manufactures and consumer goods, no reduction in capacity is proposed. Here the objective is stated in terms either of expected output or of the greatest output that can be achieved.

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The negotiations to determine allowable levels of German capacity and output proved very difficult and took two months longer than foreseen by the Potsdam agreement. As far as the American negotiators were concerned, the procedure was essentially the bargaining of a drastic reduction of steel capacity, opposed principally by the British, against a lenient treatment for consumer goods industries, opposed by the Russians and the French. The Control Council has estimated that the effect of what was eventually agreed upon would be to reduce the level of industry (excluding building and building materials) to about 50 or 55 percent of 1938 capacity. The standard of living contemplated would fall somewhat below that attained in Germany in 1932, at the bottom of the depression.

Assuming the destruction and removal of plant and equipment as planned, could the German economy, operating as an economic unit, provide the German people with the standard of living envisaged at Potsdam? This necessarily is a highly speculative question. From an economic point of view, the most serious considerations are whether the drastically reduced heavy industrial capacity is adequate to maintain the estimated production of consumer goods, coal and light manufactures, together with the desired level of construction; and whether the German economy could develop the exports (estimated at three billion marks, in 1936 prices) required to pay for necessary imports. While one hesitates to answer these questions affirmatively, one cannot say, on the other hand, that the attainment of the goals foreseen is impossible.

II

If it could be assumed that Germany is to be treated as an economic unit and that no further handicaps are to be imposed on her recovery, a strong case can be advanced for the removal of plant and equipment as laid down in the Potsdam agreement. But the treatment of Germany as an economic unit would require a determination of her western frontiers, the removal of barriers to trade and movement among the zones, and the establishment of central economic agencies for the administration of national services and policies.

The most effective arguments against de-industrialization come from those impressed with the consequences that a loss of German output would have for the economic recovery of Europe.

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There is substantial merit to these arguments. It needs to be borne in mind, however, that, 1, the adverse effect of this de-industrialization program *alone* on European recovery is usually grossly exaggerated; 2, de-industrialization represents a decision to collect reparations from capital equipment rather than from current output, which can only be applauded; 3, the program of plant and equipment removal is clearly a necessary condition to an acceptance by Russia of a unified administration of Germany. These conclusions need to be elaborated.

In the first place, the removal of plant and equipment has little or nothing to do with the present desperately low standard of living in Germany, nor would it be likely — granted a unified treatment of Germany — to have any appreciable effect on the standard of living within the next two or three years. The food situation, in Germany as elsewhere, is determined by the size of the 1945 harvest and by existing stocks. This situation will substantially improve with the 1946 harvest, and only with this harvest. Adequate provision has been made for the continued output of such fertilizers as are produced in Germany, and shortages of agricultural equipment are not likely to limit German agricultural output seriously. The under-maintenance of German lands in wartime, the break-up of estates in the east and, above all, a continued stoppage of interchange among the zones, may well injure food production and distribution; but none of these influences is attributable to the policies announced at Potsdam.

The production of other civilian goods in Germany and the rest of Europe will for some time be limited by the scarcity of coal and the inadequacy of transport facilities. True, if more Ruhr coal were allocated to Germany and less to other countries, output in Germany could increase, though at the expense of output elsewhere. Coal and transport lacking, the existence in Germany of plant and equipment in perfect condition cannot assure output.

The de-industrialization program is not likely to reduce German output seriously in the immediate future, nor would it represent, if American views were followed, an insuperable obstacle to the reëstablishment of a prosperous Germany 15 or 20 years hence. A modern economy has very great recuperative power if it is not handicapped seriously and continuously for political reasons. The impact of the Potsdam program on German output would be felt primarily, then, in an intermediate period.

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Although the transfer of plant and equipment from Germany would undoubtedly decrease output in Germany more than it increased output elsewhere in Europe, this effect can also be easily exaggerated. Moreover, there are some compensating advantages. Germany's capacity in certain basic industries was expanded for war purposes beyond anything she could possibly utilize effectively in peacetime. The number of German machine tools, estimated at 2 million, exceeded even that of the United States. The only time during the period between the wars when Germany's iron and steel capacity was fully utilized was in the years when she was most actively preparing for war. In heavy engineering and in other basic industries, her capacity was of little peacetime utility. Large transfers from these and other industries could take place without seriously affecting her economic health. Furthermore, many of her plants were placed in uneconomic locations as part of her military program or so as to disperse them to reduce their vulnerability to attack; the Hermann Goering steel works may be taken as an example. The transference of such facilities to other countries need not involve a serious loss of efficiency from the European point of view.

Finally, even if European output is decreased as a result of such transfers, there is something to be said for accepting it if in the long run it leads to a better balance between industry and agriculture in Europe outside of Germany. After all, not only was the German economy heavily industrialized by the impact of war and preparations for war, but industry in the countries occupied by Germany was substantially reduced by the removal of equipment to Germany and by destruction and extensive deterioration.

Nevertheless, when all this and more has been said, it must be recognized that the removal of plant and equipment from Germany beyond what can be effectively used elsewhere represents a loss to European as well as to German output and will retard the recovery of the Continent as a whole. The transit trade of Belgium and Holland will be substantially injured, and these and other countries will lose accustomed markets in Germany and accustomed sources of supply. The effect of the German de-industrialization policy on European recovery may often be exaggerated, but it is real. However, other considerations need also to be taken into account.

The de-industrialization program represents a decision to

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collect reparations from capital equipment rather than from current output. While Potsdam is silent on the subject of reparations from current output following the period of capital removals, an application of the first charge principle, mentioned above, will effectively preclude further reparations collections after 1948. Withdrawals were limited in time as well as by volume, on the entirely reasonable hypothesis that a short and sharp period of exactions is preferable to one stretching into the distant future.

Moreover, it seems safe to say that if the decision at Potsdam had been to take reparations from current output rather than in the form of capital removals, very little if any reparations would in fact have been collected. With coal and food shortages and transport difficulties drastically limiting German output, relief shipments into the country would probably exceed net exports from current output. As the Germany economy recovered, a Four-Power administration would be faced continually with the problem of assuring German exports sufficient to cover necessary imports (and perhaps occupation costs) before reparations claims could be met. A task less conducive to the maintenance of tolerable relations among the occupying Powers can hardly be imagined.

Finally, the de-industrialization of western Germany is clearly a necessary condition to Soviet Russia's participation in the Potsdam policy of administering Germany as an economic unit. Soviet Russia and Poland have a claim to 25 percent of the plant and equipment made available by removals from the western zones. Obviously, Soviet Russia would consider the maintenance in western Germany of large industrial capacity adapted to war purposes as a menace to her security. A failure to carry out the program of plant removals as specified in the March 28 decision of the Allied Control Council could lead only to a partition of Germany and the absorption of the area east of the Elbe into the Russian security zone.

There is more than a suspicion, of course, that this will happen in any case. The western Powers must decide whether they can afford to carry out the program of plant removals without first having made sure of the implementation of the economic provisions of the Potsdam agreement which are designed to accomplish the treatment of Germany as an economic unit. This decision must certainly take into account the probable effects

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which a failure to implement the provisions would have on an eventual German settlement and, with respect to such a settlement, on the position of the western Powers.

III

Although the Potsdam agreement included provisions for common economic policies in the various zones, the equitable distribution of commodities among the zones and the establishment of central economic agencies, they have not been carried out pending the settlement of Germany's western frontier. French unwillingness to participate in a central economic administration for Germany before some agreement has been reached on the issue of political separations and the international economic administration of the Ruhr and Rhineland has been the immediate stumbling block; but it also is reported that the U.S.S.R. seeks to postpone the establishment of common economic policies until reparations transfers have been completed.

In the meantime, economic and political activities are proceeding in the different zones in very different directions and at a very unequal pace. In the Russian zone, there has been an extensive nationalization of such industry as remains; the authorities have insisted on a united front in political parties and trade unions; and they have imposed systematic and comprehensive land reforms. In the British zone, the coal mines have been nationalized, revolutionary movements have been discouraged and a beginning has been made at building up the Social-Democratic Party. The Americans, by all accounts, have pursued a more drastic policy of de-Nazification than is favored elsewhere; they have carried through a program of local elections; and their economic policy seems to have been essentially negative.

To some extent the differences in development have been due to differences in the avowed intentions of the occupying authorities. To a much greater extent, however, they seem to have resulted from the emergence of local forces that could count on the approval of the occupying authorities. Whatever the reason, the fact is that objective differences of great importance are discernible in the economic and political development in the various zones and that these cannot help making the imposition of common policies and the establishment of a central economic administration more difficult. No one can say how long the application of common political and economic policies can be postponed

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without making partition inevitable. It may be that the reintegration of Germany on a basis mutually acceptable to the four Powers has already become impossible. If it is to be attempted with any hope of success it cannot be postponed, in the author's opinion, until 1948.

Today and for the immediate future Germany presents a serious problem in relief. In addition to maintaining troops there, the western Allies are saddled with the burden of importing into their respective zones the minimum quantity of food necessary to prevent starvation. This continuing burden can be lessened only when Germany has developed an export from current output sufficient to pay for necessary imports. Even on the assumption of a unified Germany living at a lower standard than that of 1932, the Allied Control Council estimates that 1.5 billion marks (1936 value) of imports of food and fodder will be required annually. As long as commerce among the zones is seriously restricted, the import requirements of the western zones in food and other indispensable consumer goods are apt to be larger.

After the last war, German reparations were financed extensively by American loans. This time, we had hoped that by making payments for necessary imports a first charge on exports we could avoid shouldering the burden. However, if there are no exports — or only very small ones — the payment for necessary imports becomes a first charge on the occupying Powers. So far as the western zones are concerned, this means, in effect, the United States. Britain and France borrow from the United States to finance their external obligations; and these are increased by commitments in Germany which can be lessened only as her economic recovery permits her to increase domestic production and develop an export trade. The failure to reintegrate Germany's economy handicaps her recovery more immediately than the plant removals do. The longer this continues, the larger the problem of German relief will become and the greater will be the direct and indirect financial burden to the United States.

These considerations lead to the conclusion that to permit the removal of plant and equipment from western Germany before the other economic provisions of the Potsdam agreement are given effect would be a tragic mistake. The fundamental assumption underlying the Control Council's calculation of allowable industrial capacity is that "Germany will be treated as a single economic unit." Delay in establishing a central economic admin-

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istration and common economic policies measurably increases the chances of a partition of Germany between east and west. If meantime the plant and equipment on which the western zones must rely for necessary exports have been removed or destroyed, the western Powers, and principally the United States, will face a relief problem in Germany of long duration.

The Potsdam de-industrialization program can be justified on the assumption that the German economy is operated as a unit, and on that assumption only.

IV

The State Department has several times since Potsdam indicated the kind of policy toward Germany which it favors. On December 12, 1945, the Secretary of State, looking beyond the de-industrialization program scheduled for completion in 1948, said he considered that "the German people will during this period recover control over their economy subject to such residual limitations as the occupying powers decide to impose." And he added: "These limitations, which will be determined by agreement among the occupying Powers, should, in the opinion of this Government, be designed solely to prevent German rearmament and not to restrict or reduce the German standard of living."

Assuming that, concurrently with de-industrialization, the German economy were integrated within newly defined frontiers, the next steps would be gradually to transfer governmental functions to German agencies and to remove barriers to economic recovery. The withdrawal of occupation forces from Germany would presumably coincide with the recognition of an independent German government acceptable to the Allied Powers. From then on, as indicated by the draft of a German Disarmament Treaty made public by Secretary Byrnes in Paris on April 27, 1946, the resumption of German military preparations would be prevented by a system of Four-Power inspection and control of imports. Subject to the provisions of the Treaty, Germany would function as an independent nation dominated neither by east nor west. Any violation of it would provoke Four-Power military intervention.

The policy of the American Government regarding Germany is evidently part of a larger policy looking toward a general settlement in Europe as a whole. In its view, the best prospect for peace in Europe and in the world seems to lie in the survival of a

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substantial number of neutral and independent countries. Probably American efforts to bring about this kind of settlement in Europe — and in Germany in particular — are foredoomed to failure. The provisions of the Potsdam agreement that constitute a first step in that direction, namely the provisions designed to treat Germany as an economic unit, have never been implemented; and further delay can only increase the difficulties of Four-Power collaboration.

If the American policy fails, what alternative would then be open to us?

The difficulty is not any inadequacy in the program to accomplish what every Allied document since Yalta has alleged to be the objective of Allied policy in Germany, namely, to prevent the reëmergence of a military, aggressive Germany. A long step toward that objective had already been accomplished by the catastrophic character of the German defeat; and the system of inspection and import controls proposed in the German Disarmament Treaty would be quite adequate to prevent Germany's development of atomic or other weapons of war.

Our policy in Germany and elsewhere in Europe seems to be failing because the other Powers, or at least certain of them, do not conceive that the essential problem is to disarm Germany and keep her disarmed. As they see it, the problem is how to make use of Germany and the former German satellites or at least how to prevent her and them from being used by potential enemies. Germany could make war on Russia with any chance of success only as an ally of western Powers. This Russia knows, and it is shaping her policy toward Germany. Germany would be likely to make war in the west only with the approval and support of Russia. This we must take into account in shaping our policy toward Germany.

When we face the problem of Germany in this manner we see that there are three possible ways in which any one of the occupying Powers might promote its security objectives. One would be to bring into existence a German Government subservient to and under the control of that Power. This solution would be excessively difficult to accomplish within the context of Four-Power occupation and administration. Another would be to make and keep Germany so weak as to be of no use to potential enemy Powers. In addition to requiring permanent occupation, in which, presumably, other Powers would share, this would

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occasion serious social and economic dislocations and would awaken humanitarian opposition. The third and simplest solution would be partition, which presumably would assure control by each of the interested Powers over at least a part of Germany. There is some evidence that the U.S.S.R., Britain and France have considered this as increasingly probable and that they have shaped political and economic developments in their respective zones toward such an eventuality. Their calculations have no doubt been strongly influenced by estimates that American presence and influence in Europe are temporary phenomena on which a long-run policy cannot, or need not, be based. Certainly many aspects of our policy since V-E Day both at home and abroad could be interpreted to support that conclusion.

If partition is the solution, the Potsdam policy on reparations and de-industrialization clearly becomes inapplicable. Some plant and equipment might be transferred from the western zones to the western Allied nations, but the amounts would have to be severely limited. Partition would obviously intensify and confirm the split in Europe between east and west. American policy in Germany would have to become a part of a larger policy toward western Europe, probably designed actively to support a western bloc. Doubtless this would involve an attempt to integrate the three western zones of Germany into a single economy, which would depend heavily for its existence on the export of industrial products. How such an economy could be articulated with the economies of western Europe and the world raises problems which have scarcely begun to be considered and which cannot be discussed here.

There is no doubt in the author's mind that, granted the division of Germany and of Europe, the interests of the United States would require that it adopt a positive policy in western Europe, including considerable participation in its affairs and much assistance to individual countries. In the absence of active American participation and support, the U.S.S.R. might well fall heir to Germany. Britain and France, either singly or together, might attempt vigorously to hold certain German areas. Whether over any long stretch of time any part of Germany could be immunized against an active, nationalist Communist movement, armed with the effective slogan of a united Germany, seems rather doubtful.

In the course of time such a development in Germany would

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no doubt overcome the reluctance of the American people and Congress to adopt a policy which could be termed one of "foreign intervention." The foreign policy which they would then sponsor could hardly fail to be anti-Russian. How much support the United States could by then expect to find in other countries would depend upon developments in western Europe and in eastern Asia which cannot now be foreseen. In the author's view, it will be difficult to avoid this chain of development unless the forces now working for the partition of Germany are checked. Obviously this would involve a reorientation of the policies of the Great Powers not only there but in other parts of the world as well.

As these lines are written, the policy agreed upon at Potsdam is in a condition of complete stalemate. American representatives have taken the position that reparation removals cannot begin until the conditions necessary to the treatment of Germany as an economic unit have been established. The French refuse to cooperate in a central economic administration until the question of the Rhur and the Rhineland is settled. The Russians are reported to favor a postponement of centralized control until reparations transfers are made. Under these circumstances, policy in Germany passes out of the hands of the Allied Control Commission and into the hands of the Council of Foreign Ministers. Face to face with all the implications of a partition of Germany, the four Governments may recoil and agree on an implementation of the Potsdam agreement. If so, this would mark an important step toward the eventual emergence of an independent Germany, with beneficial results throughout central Europe. If not, it may be presumed that the final seal has been placed on the division of Europe between east and west.

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ATOMIC ENERGY AND AMERICAN FOREIGN POLICY

By Caryl P. Haskins

ONE reason the political problem raised by the discovery of the means to release atomic energy is so vast is that it contains inherently contradictory elements. Only by international action can we reap the potential benefits of atomic energy, which are so great for all mankind; only by international action can we find any security against the bomb, which has destructive possibilities that are so appalling. But if the bomb is thus the sharpest spur to internationalism, it is also the sharpest reminder that American foreign policy must not forget that American security is endangered as never before. The bomb provides the greatest temptation to aggression ever offered an ambitious people or an unscrupulous leader, and against it the traditional modes of national defense are clearly inadequate. New strategies are called for, alike in the military and the political fields.

An attempt to encompass the problem must begin with a review of the scientific factors conditioning the release of atomic energy and the technical circumstances in which the bomb was developed. There is no short-cut to an understanding of the political and social problems involved; and no simple "yes" or "no" answer can be given to the various proposals made for dealing with them. The present paper aims merely to summarize and place in juxtaposition the facts about atomic energy which have special significance in the formulation of foreign policy, and to see how they apply in the case of the United States.

II. FUNDAMENTAL SCIENTIFIC DISCOVERIES

The discovery of uranium is not recent. It was recognized as a metallic constituent of pitchblende in Germany at least as early as the middle eighteenth century. Until 1789 it was generally thought to be tungsten, but in that year W. H. Klaproth proved it to be a new element and named it after the planet Uranus, then newly discovered in the heavens. It was rather inert in its chemical properties, and until 1938 was considered to have only minor commercial importance as an alloying metal (for which in general it was too expensive) and in the tinting of glass and ceramics. So

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little interest had it excited that previous to 1938 its chemical and physical properties remained imperfectly known.

Uranium had attracted brief world-wide attention on two occasions, however. The first was in 1896 when Becquerel, noticing that uranium ores caused a blackening of photographic plates in the dark, discovered the now-famous "Becquerel" rays and ushered in the study of natural radioactivity. The second was when the Curies used the uranium pitchblende ores of Joachimsthal as their principal raw material in the discovery and separation of radium. The discoveries of Becquerel and the Curies were dramatic in several respects. Not only were uranium and radium unique in exhibiting a spontaneous emission of radiations, the rate of which could not be influenced by any treatment that could be given them, but they were the only elements then known which could undergo transmutation, yielding ultimately, in both cases, a form of lead. All other elements were thought to be so stable that transmutation was reckoned as remote as the discovery of the Philosopher's Stone. Then, in 1919, Lord Rutherford showed that such a change could in sober reality be artificially effected. By bombarding nitrogen with a stream of charged elemental particles ("alpha" particles, the nuclei of helium atoms) at rather high velocities, he succeeded in producing some oxygen, with another form of electrically charged particle as a by-product. This by-product was shown to be equivalent in charge to the nucleus of a hydrogen atom, and was called the "proton." Rutherford found that, as soon as he ceased bombarding his nitrogen, both the transformation to oxygen and the generation of protons ceased.

For 20 years after Rutherford's work, bombardment experiments of this kind were pushed forward with great vigor. Many elements were used as targets, and many transformations were found to be possible, with the production of several kinds of elemental "particles" as by-product. The electron and the proton were already known, and in 1932 the "positron" and the "deuteron" were discovered and named. But the most important discovery from the standpoint of atomistics was that of the "neutron," the existence of which was demonstrated, likewise in 1932, by Sir James Chadwick. The neutron is a particle of neutral electrical charge, exceedingly hard to detect and with extraordinary penetrating power.

One more basic scientific discovery of outstanding importance

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to the development of techniques of large-scale atomic fission remained to be made. Irene Curie, daughter of Madame Curie, and her husband Frederic Joliot, showed in 1934 that certain light elements such as boron, magnesium or aluminum not only underwent transformation when bombarded with alpha particles, with the emission of energy (in the form of positrons), but that these positrons continued to be emitted for some time after the initial bombardment had been cut off. An intermediate radioactive element had been produced which then "decayed" further, as uranium or radium had long been known to do naturally. Artificial radioactivity had been discovered.

In succeeding years, innumerable experiments of this sort were carried forward, and by the time of the war some 500 radioactive "species" of elements had been artificially produced and the properties of many of them described. Of particular interest was some work of Fermi, who studied the bombardment by neutrons of heavy elements of high atomic number. Fermi reasoned that the neutron, because of its neutral charge, should penetrate such an atomic nucleus much more readily than a charged particle. He found that such bombarding neutrons might in fact be "captured" by the nuclei, and a new, unstable, radioactive form of the element produced; this then decayed to a stable form, with the emission of additional energy. It only required that such energy be also in the form of neutrons of suitable velocity, and that their number be greater than that of the particles of the original bombardment, for there to be initiated a "chain" reaction which would make large-scale, self-maintaining atomic fission possible. The extraordinary potentialities of such a process were long recognized by nuclear physicists, but realization of them did not seem to be practicable.

Such had been the lines of experiment, and such was the knowledge, which pointed to the techniques used in producing the atomic bomb.

III. THE IMMEDIATE BACKGROUND OF THE BOMB

Fermi and his colleagues had studied the bombardment of uranium by neutrons in 1934. But it was five years later that O. R. Frisch and L. Meitner, both refugees from Germany working in the laboratory of Niels Bohr in Copenhagen, suggested that the absorption of neutrons by uranium caused the uranium atom to split into lighter, nearly equal fragments, with an enormous

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emission of energy in the process. This idea was based on an important finding published in Germany early in 1939, by O. Hahn and F. Strassman, that a species of barium could be found among the reaction products of uranium under neutron bombardment. Bohr visited the United States in January of 1939 and communicated his idea. Before the end of February, four American laboratories and Bohr's laboratory in Copenhagen had confirmed the reaction.

By the middle of 1940 the fact that three elements, uranium, thorium and protactinium (the last exceedingly rare), could undergo fission under neutron bombardment had been widely published. It was further known that the bombarding neutrons must have very high velocities to accomplish fission in protactinium or thorium, but that in the case of uranium slow neutrons could achieve the effect. The fast neutrons were captured primarily by the uranium isotope[1] 238, and might lead to the formation of a higher isotope, U-239, which could finally decay to a new element, unknown in nature, which was christened "plutonium." It was guessed at that time that plutonium might be itself fissionable if bombarded by slow neutrons, and this later proved to be both true and critically important. The slow neutrons could also be captured by the rarer uranium isotope U-235, with explosive fission and the production of additional neutrons.

The possibilities of initiating a "chain" reaction, such as would be required to produce an atomic bomb, either through the use of U-235 or through plutonium or both, were instantly realized in this country. The sobering danger of the knowledge was foreseen, first by a small group of foreign-born physicists, to whom the concept of harnessing scientific knowledge in the service of national armament was more familiar than to our own people. There followed conferences with President Roosevelt, his appointment of an initial Advisory Committee on Uranium late in 1939, and the transfer of $6,000 from the Army and Navy to defray its expenses. The total ultimate expenditure of the uranium project was to be in the neighborhood of two billion dollars. The next steps were the reconstitution of the Uranium Committee as a subcommittee of the newly organized National Defense Research Committee in 1940; the formal arrangements for full exchange of information with the British in the same year;

[1] Isotopes are species of a single element which have the same nuclear charge, but differ in atomic weight. They may be virtually indistinguishable in chemical properties.

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and the formation of a Top Policy Group including the Vice-President, the Secretary of War, the Chief of Staff of the Army, the Director of the Office of Scientific Research and Development, and the Chairman of the National Defense Research Committee. There followed in 1942 the formation of the Manhattan District in the Army Corps of Engineers and the transfer of the uranium work to the District under the directorship of Major-General Groves. Likewise there followed the initiation of immense research projects at Columbia University, the University of Chicago, the University of California and elsewhere, and the construction of the gigantic installations at Oak Ridge and Hanford and in New Mexico and other places. Finally came the bombs at Los Alamos and Hiroshima and Nagasaki.

IV. BASIC FACTORS IN THE USE AND CONTROL OF ATOMIC ENERGY

We can now summarize the basic technical information affecting the international aspects of atomic energy.

First of all, it has been established beyond reasonable scientific doubt that only two elements, uranium and thorium, need to be reckoned as raw materials for atomic bombs or atomic power plants. Furthermore, only one of these, uranium, is capable of supporting a chain reaction.

Thorium is relatively abundant in nature, occurring in large deposits in India and fairly extensively in Brazil, the Malay Archipelago, Australia and the United States, largely in the form of monazite sands. It can be used to supplement uranium supplies in the manufacture of fissionable materials, but cannot be used without uranium.

Uranium is not a rare element. It occurs in minute but detectable amounts in most granite and sedimentary rocks, and comprises about eight parts in 100,000 of the earth's crust. It thus stands next to copper in abundance, is more abundant than zinc, and is about four times as plentiful as lead. Deposits from which it can be obtained in reasonable yield probably occur in at least 15 nations, in at least 10 of which — the United States, Canada, the Belgian Congo, Czechoslovakia, England, Portugal, Australia, Norway, Sweden and Russia — commercial amounts are known to have been recovered. However, the outstanding deposits are more narrowly distributed, being confined to the United States, Canada, the Belgian Congo, Czechoslovakia and possibly Russia.

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Uranium occurs in the form of three isotopes, U-234, U-235, and U-238. The first is rare and of no immediate practical importance. U-235 is the isotope which undergoes explosive fission with slow neutrons; it composes about one part in 140 of naturally occurring uranium. U-238 is by far the most abundant isotope. It is not fissionable by slow neutrons, but is the source of plutonium. Fissionable materials, therefore, can be manufactured from a mixture of the isotopes of uranium, and in this process not only are raw materials for atomic bombs produced, but large quantities of power are incidentally generated also. Thus the production of power and the production of fissionable materials for bombs are technically inextricably linked; the same "pile," using the same raw materials, might serve as a power plant or as a source of bomb loadings, or even in both capacities simultaneously, if suitable arrangements were made. Further, these same "piles" can also be used to produce the radiations and to manufacture the artificially radioactive "tracer" materials which are of such immense value for scientific and medical research and therapy. However, although the generation of power or the production of bomb loadings requires a large plant, a very small plant, one so small, indeed, that it would be of little practical use in turning out explosives, could serve the scientists and medical men of an entire nation.

These facts suggest several conclusions bearing on our foreign policy:

(1) Since uranium and thorium alone can be used as raw materials for the production of either power or bombs, and since uranium is indispensable, the problem of controlling atomic energy, even though vast and complex, is nevertheless subject to delimitation in a way which would be out of the question if fissionable materials could be made, for example, from clay. The fact that the richest deposits of uranium ore occur in a fairly limited number of places might make international control feasible; but it also foreshadows violent competitive struggles for ownership of the richest deposits (the struggle for oil greatly intensified).

A plant producing materials of scientific or medical interest can be distinguished fairly easily from one designed to produce power or to turn out explosives, on the simple basis of size. However, without facilities for very thorough inspection it would be extraordinarily difficult to distinguish between a plant

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producing power for peaceful purposes and one which was turning out fissionable materials for war.

(2) All the scientific information essential to an understanding of the processes of fission was well known to the scientists of the world, either just before the beginning of the war in Europe or just before our entry into the war. This knowledge was based mainly upon original discoveries made in England, France, Denmark and Germany. Only the technology necessary to the actual fabrication of the bomb was kept secret in the hands of the United States, Great Britain and Canada. This technology, to be sure, is highly important because it involves intricate processes, vast installations and, particularly, large resources of technically trained manpower. Nevertheless, we may fairly estimate that Great Britain, if she chose, could in a minimum of two years achieve the degree of efficiency in bomb manufacture attained by this country, and that Russia might attain that position in a minimum of five, after which her rate of progress might well exceed our own.

We therefore cannot count on maintaining our security through a monopoly of fundamental knowledge in the atomic field — indeed, we narrowly escaped having that knowledge concentrated in the hands of Germany, where much of it originated. Further, our monopoly of technical information and facilities is limited and is diminishing. At present we do have a monopoly of stockpiles of raw materials and finished atomic bombs, and we are equipped with gigantic plants for producing these materials. Within something like ten years, however, our monopoly in technology may have disappeared completely, whatever the policy we now adopt with respect to international action.

(3) The bomb is detonated by an explosively rapid "chain" reaction (the explosion of the atoms in any one "generation" being initiated by the neutrons produced by the previous "generation" of atom explosions). Hence there is a critical size below which the bomb will not explode. It is made to explode, in fact, by an almost instantaneous assemblage of parts of subcritical size to a mass of larger than critical dimensions, whereupon the reaction starts immediately. Limitations to the size of the bomb on the small side, however, are not such that it could not be transported by the larger rocket carriers and by piloted or pilotless bombers. Long-range rockets of the V-1 or V-2 type, or improvements on these, carrying atomic explosives, will therefore defi-

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nitely have to be reckoned with in another war. These will possess such speed and manœuvrability that the possibility of developing direct technical defenses against them becomes exceedingly remote. Virtually the only defenses which can be visualized at present are indirect, such as the concealment of vital installations (at least 500 feet underground) or the extensive dispersion of urban populations and facilities. Neither solution is wholly practical.

We must conclude, then, not only that we do not possess more than temporary security based on a scientific or technological monopoly in the field of atomic explosives, but that we cannot count on security based on direct technical defense.

(4) These considerations may tempt us to fall back on the sort of territorial defenses considered useful in the past — a system of insular bases around the world and a "security zone" of loyal neighboring nations. Territorial defenses will undoubtedly remain exceedingly important in our strategy, but their usefulness must necessarily be reduced. Small islands would almost certainly be untenable under atomic attack, and the range of future carriers of atomic bombs would diminish their value in any case. The defection of even a small nation within our zone might have most serious consequences if that nation could arm itself with atomic bombs. We thus might be obliged to adopt a much less passive attitude toward the internal affairs of countries within our security belt. Finally, the range and speed of atomic weapons will certainly reduce the protective value of such geographic features as the Atlantic and Pacific Oceans and the northern Canadian wilderness.

(5) The bomb is the ideal weapon for an aggressor. It is effective over a wide area and it is much cheaper than any existing instrument of destruction. The Los Alamos explosion blew the roof off a farmhouse two miles from the site. At Nagasaki, twisted steel beams were found three miles away. At Hiroshima everything within an area of four square miles was virtually demolished. It has been conservatively estimated that 10,000 bombs might eliminate all the urban areas of a great nation. The cost of that number of bombs would be about 10 billion dollars — and the figure is likely to decrease. An atomic bomb's great radius of destruction will make long-range rockets efficient even when far less precisely aimed than those sent by the Germans against London. Conversely, greater ranges could be attained with equal skill of aim. In short, the atomic bomb offers a means of destruc-

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tion which is from ten to possibly one hundred times cheaper for the aggressor, in proportion to damage done, than any weapon hitherto available. Leaving aside some factors which might nevertheless be of importance (such as fear of retaliation), we can see many reasons why a nation which had determined on war would launch its aggression by using atomic weapons.

(6) Two additional facts worth pointing out refer not to atomic explosives but to atomic power and follow directly from the condition that any plant, whether designed primarily to produce radiations or power or supplies of fissionable materials, actually produces all three. One fact, technical in nature, is of military significance. A uranium power plant sends out radiations of great potential danger to its human operators unless it can be adequately shielded; and adequate shielding is so heavy that the power plant becomes unsuitable for installation in light carriers, though it might well be used in a surface vessel. The second fact is economic. Recent calculations indicate that while atomic power cannot at present compete economically with coal in a country having adequate coal reserves, it might nevertheless be of great importance to a nation lacking such resources. The implications for the "have-not" nations are obvious.

V. STEPS TOWARD INTERNATIONAL CONTROL

Such facts have convinced most people that some sort of international regulation of atomic energy is absolutely necessary. The first reaction was that the atomic bomb must be "outlawed," a thoroughly unrealistic solution, of course, until war itself is successfully outlawed. A second proposal was that the development of atomic energy should be renounced altogether, by prohibiting the mining or processing or possession of fissionable materials for any purpose. But such a policy would deny the world the potential benefits inherent in the peaceful development of atomic energy, and never in human history has progress been prevented by fiat. These two courses having been dismissed, what alternatives remain?

The general objectives, evidently, are, first, that there should be no production, manufacture or stockpiling of potentially explosive fissionable materials except under effective international supervision and control; and, second, that there should be full realization of the scientific and industrial potentialities of atomic fission for peaceful purposes. The double paradox is that

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no nation will relinquish its private (and secret) activities until the first condition is fulfilled, while the second cannot be achieved unless the world's leading minds in the field of atomistics, wherever they may happen to be, are able to exchange information freely in the best scientific tradition. The reconciliation of these two apparently contradictory objectives presents a towering challenge.

There are two principal difficulties. In the first place, international supervision of stockpiles and plants and processing methods involves a considerable delegation of national sovereignty; and an almost equally deep faith in internationalism is required if a nation is to share freely the information which it has gathered. Faith of this sort cannot be engendered to order and at once.

The second difficulty is to devise a workable system of inspection that will reveal whether atomic energy is being developed for peaceful or warlike purposes. (The same plant, remember, can make both bombs and power.) Inspection of mines, or of raw materials at or near the source, would certainly be easier than inspection later in the manufacturing process. Prospecting of mines by an international authority would be easier than supervision of factories. However, if a nation were hostile to the international authority, the technical difficulties in the way of any sort of inspection would be very great, perhaps insurmountable.

The Anglo-American-Canadian Declaration on Atomic Energy of November 15, 1945, marked the first step in the development of an international atomic policy. Its fundamental proposal was that international coöperation and coördination in the whole field should be advanced as adequate safeguards were developed. It was proposed that these developments proceed by stages. The three nations themselves undertook to initiate the first stage — the exchange of basic scientific information. The second was described as the exchange of knowledge in the field of industrial use. The third was the "elimination from national armaments of atomic weapons and of all other major weapons adapted to mass destruction."[2] Adequate safeguards (inspection and other means) were to be devised for preventing evasions and violations of the spirit of the pact. Finally, the Declaration proposed that an Atomic Energy Commission be set up within the United Nations.

At the Moscow Conference of the Foreign Ministers of the "Big Three," late in 1945, it was specifically suggested that an

[2] Note the breadth of this statement.

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Atomic Energy Commission be established by the General Assembly of the United Nations, to act in an advisory capacity to the Security Council. The Commission was to consist of one representative from each of the states on the Security Council, plus Canada in the event that she did not become a member. Its terms of reference were to inquire into all phases of the problems arising from the discovery of atomic fission, with the specific responsibility of formulating proposals for extending the exchange of information between nations so as to attain the four objectives outlined in the Anglo-American-Canadian Declaration. Its reports to the Council would be made public unless security reasons dictated otherwise. This proposal was considered by the Political and Security Committee of the United Nations in London and was adopted by the General Assembly on January 24, 1946. All the most difficult portions of the gigantic task, evidently, lie ahead. Whether they will be dealt with successfully will depend largely upon the suggestions for concrete action which the United States Delegate brings to the Commission's first meeting.

Two recent developments, among others, will influence these proposals. The first is the unanimous adoption by the Special Senate Committee on Atomic Energy of the revised McMahon Bill, officially designated the Atomic Energy Act of 1946. The domestic atomic energy commission of five members created by this bill would assume control of the Manhattan District Project and would probably continue research and development with a budget of approximately $500,000,000 a year. There obviously had to be legislation for the domestic control of atomic energy before this country could participate in a system of international control. It remains to be seen how workable the structure it sets up may be.

A second important development has been the State Department's issuance of a report prepared by a special committee, of which Under Secretary of State Acheson was chairman, and by an advisory panel of experts under the chairmanship of David E. Lilienthal.[3] This much-discussed report forms perhaps the most original single contribution so far made to the thinking on the problem of international control. While it raises certain difficulties in its own right, it indicates possible paths around a number of major obstructions which had seemed well-nigh insuperable.

[3] "A Report on the International Control of Atomic Energy," Department of State Publication 2498.

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VI. THE STATE DEPARTMENT REPORT

The proposals in the State Department report are based on two technical premises of great importance, the first of which we have already considered, namely that only uranimum and thorium can serve as raw materials for atomic bombs. The second premise is novel and extremely interesting. It is that existing stocks of purified U-235 and plutonium may be "denatured" under certain conditions in such a way as to impair them at least temporarily for military purposes while not decreasing their utility either for scientific or for industrial ends. This result is achieved by adding to the potentially explosive fissionable material a non-explosive isotope of closely similar chemical properties. Repurification of the denatured material remains a possibility; but the process will be cumbersome, calling for installations similar to those at Oak Ridge (though not of comparable size), demanding scientific and engineering skill of a rather high order, and probably requiring at least a year. The operation, then, could hardly be undertaken secretly on a large scale.

The revelation that fissionable materials can be denatured enables us for the first time to drive a distinguishing wedge between potentially peaceful and potentially destructive uses of atomic power, thereby opening the way to at least a partial solution of one of the most baffling features of the whole problem. The State Department report proposes to utilize this advantage to classify all activities concerned with any phase of the handling of fissionable materials into "dangerous" and "safe" categories.

The "dangerous" category of activities would include any which offers a solution "either in the actual fact of its physical installation, or by subtle alterations thereof, to one of the three major problems of making atomic weapons: I. The provision of raw materials; II. The production in suitable quality and quantity of the fissionable materials plutonium and U-235; and III. The use of these materials for the making of atomic weapons."[4] Thus any activities concerned with the prospecting, mining or refining of uranium, or to a lesser degree of thorium, the enrichment of U-235 by any methods at present known, the operation of "piles" for the production of plutonium and of separation plants for its extraction, and all research and development in atomic explosives, would be counted "dangerous." The "safe"

[4] *Ibid*, p. 26.

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category of activities would include the use of radioactive materials as tracers, the use of small piles as radiation sources or for the manufacture of radioactive materials (especially those which decay rapidly), and the operation of large reactors for the production of power, in the range of 100,000 to 1,000,000 kilowatts. The inclusion of this last activity in the "safe" category constitutes one of the report's most important contributions. Such reactors cannot produce fissionable materials (in the absence of further uranium or thorium) and they will actually "burn up" their initial "fuel;" hence they will require recharging from time to time.

The report proposes the establishment of an international agency, which might be organized as a Commission of the United Nations or in some other way, termed for purposes of discussion the Atomic Development Authority. This Authority would have the right to own and lease property anywhere in the world and to carry on mining, manufacturing and research in the atomic energy field, and to conduct such transactions as licensing, selling and inspection. It is proposed that the Authority have title and access (through ownership or lease) to all uranium and thorium deposits, and alone conduct all mining operations in this field, taking possession of all material mined. All denatured fissionable material would remain in its permanent possession. Denatured materials and non-explosive by-products of the mines (such as vanadium or radium) would be made available to nations or to private individuals through sale or lease. The Authority would construct and own, and alone would have the right to operate, all separation plants for fissionable materials and all "piles" which use undenatured material. It alone would conduct all research in the general fields relating to atomic explosives, and one supposes that it would build up powerful and advanced research staffs for that purpose. One of the major responsibilities of these research units would be continually to reexamine the line dividing "dangerous" from "safe" activities, which might well shift as knowledge advanced. In short, the Authority would have a monopoly of the operation of all intrinsically "dangerous" activities in the nuclear field. In addition, it would exercise the right of inspection in all nations, particularly in the raw materials field, presumably through a staff recruited and maintained on a truly international basis.

"Safe" activities in connection with atomic energy could rest

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in governmental or private hands. Thus individual nations or their citizens would be free to conduct, under license and with a minimum of inspection, the generation of power for peaceful purposes in privately owned piles operating with denatured substances, and to produce materials for scientific and medical research. Since the "charges" in such piles would be expendable, they would be renewed from time to time by the Authority from its stocks of denatured material. Private research and development would be encouraged in the "safe" fields, and it is anticipated that close collaboration would be maintained between such private research groups and the more widely informed research and development groups of the Authority.

Finally, it is emphasized that the mining facilities and the processing plants of the Authority should be distributed among several nations. Such plants would be under the military guard of the Authority; but in the event that a recalcitrant nation seized the plants within its territory, the remaining plants throughout the world would be able to take appropriate measures for defense. Since any nation seizing such plants would require approximately a year to produce bombs on a large scale, there would be time to take the necessary protective measures. Thus no nation could readily achieve a monopoly of atomic weapons.

Before the publication of the State Department report, almost all the thinking about the international control of atomic energy assumed that ultimate ownership and control of all mines and of all mining, refining and manufacturing processes connected with fissionable materials (in both the "dangerous" and the "safe" categories) would rest with individual nations. The hope was to subject these national operations to international law and the "policing" of an international inspection force. The State Department plan reverses this thesis, placing all the intrinsically "dangerous" activities in public hands and under international ownership and control from the start.

This arrangement makes possible the formulation of an international code which is clear-cut and enforceable. For if the mere possession of undenatured fissionable material, or the operation of mines or plants producing or using such material, constitutes a violation of the law, evidence of guilt can be quite readily established. As already noted, detection of the illegal use of facilities which were nevertheless legally owned would be very

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difficult at best. Under the new plan, only mining operations might require large-scale and continuous policing by the international authority. A nation which sought to evade its obligations could produce bombs in appreciable quantity only by carrying through many illegal steps, from mine to final processing plant, using undenatured fissionable materials at every step of the way. To do this undetected on a large scale would probably be difficult even with a fairly limited system of inspection.

If, as suggested, the Atomic Authority maintained extensive research facilities in atomic explosives and related fields, the functions of research and inspection might be combined, with the result that the Authority would always remain master of the world situation by virtue of technological superiority as well as by legal right. The proposal to keep "safe" activities in private hands tends in the same direction. Since "safe" materials are expendable and can be produced and supplied only by the Authority, it will naturally exercise control over such activities while at the same time encouraging the full development of private initiative and giving to the relations between the public agency and private individuals the positive character of an aid to research and development.

Finally, the plan does not ignore security phases of the problem in the event that the whole system of world order should suddenly collapse. Plants and facilities can be distributed among nations in such a way that in the event of collapse no one state will have a preponderance of atomic weapons — at any rate no advantage as great as it might well have secured by subterfuge under conditions of national ownership. During the basically insecure period of transition, the United States, Great Britain and Canada will be in the most secure positions, as they are today. Their sharing of information and facilities may somewhat accelerate the impairment of that security. But, as we have seen, security based on monopoly is in any case doomed.

The difficulty of gaining general acceptance of this sytem is evident. Any practicable system of international control will require every nation to delegate some of its national authority, and this is sure to be resisted by sections of public opinion. The area of national sovereignty to be delegated under this plan admittedly would be very considerable. Other objections, both broad and detailed, can be brought against the plan. They all will have to be taken into account. In considering them, however,

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we must recognize that they apply to any plan of international control, and we must set off against them the disadvantages of systems which propose primary national controls, subject to international jurisdiction.

VII. CONCLUSIONS

Certain conclusions may be drawn from the foregoing analysis:

(1) International control of atomic energy is the surpassingly important objective of this nation's foreign policy. It must be, indeed, the chief present goal of every nation that wants peace. If the development of atomic energy continues to rest entirely in the hands of separate nations, if there is no provision for the international exchange of information, for international coöperation and eventually international control, an international atomic arms race seems inevitable. The dangers of this cannot be exaggerated. The advantage that the atomic bomb would give an aggressor, the localization of the richer deposits of uranium ore in certain areas, and the inherent differences in technological capabilities between nations would breed national rivalries, ambitions and fears. The tension might become unbearable as the military potentials of rival nations became more and more unequal.

A further argument for the international approach is found in the fact that the possibilities for the constructive use of atomic energy in peacetime can be adequately developed only through world-wide coöperation. These potentialities for good, in the fields of industry, scientific research and medicine, are very great. Mankind cannot be asked to forego such benefits.

Many in this country will object that the present American monopoly of atomic weapons constitutes a protection not only for ourselves but for the world as a whole, since the United States cannot, as they believe, be suspected of ever planning to start a war. The conclusion of their argument is that our continued monopoly ought not to be put in jeopardy by efforts toward international coöperation. The answer is that our monopoly will be short-lived in any case. Our security cannot be based on a continued monopoly of the raw materials, facilities or manpower for making atomic bombs, or on a monopoly of the necessary basic knowledge. There is no adequate direct defense against atomic weapons. And our former security based on our geographical position has greatly diminished. International coöperation and

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eventual international control, then, seem plainly designated as the objectives of a realistic foreign policy.

(2) To be at all effective, any system of international control requires some delegation of national sovereignty by every participating nation. This will be hard to achieve, especially if the actual power of a central authority were less, at any rate at the start, than that of individual nations or some coalition of them. The processes of education, negotiation and then of actually putting the system agreed upon into operation will take time. Success can be achieved only if the participating nations realize that the safety of each one of them, quite apart from the welfare of the world as a whole, depends upon the efforts they put forth. Meanwhile, as things stand, the development of atomic weapons will inexorably proceed faster and faster. No time must therefore be lost in setting out on the long and laborious road toward the goal of effective international control.

(3) The nations which first produced the bomb and which still have a monopoly in the field — the United States, Great Britain and Canada — have taken the lead in acting on the thesis set forth in the preceding paragraph. The Anglo-American-Canadian Declaration, the Moscow Communiqué and the establishment of the Atomic Energy Commission show that they understand the salient features of the problem — the need for an immediate beginning, the need for maintaining a balance between national security and international action, the need for a long-term approach, and the need for enlarging the field of action to embrace all weapons capable of mass destruction. But these are generalities. The next step will be to present concrete and detailed suggestions as to how a beginning may be made in action. Here again the nations now possessing a monopoly of atomic weapons have the responsibility for taking the lead. This is especially true of the United States. The challenge to our leadership — moral, intellectual and political — will come during the first meetings of the Atomic Energy Commission, scheduled to begin about the time these lines appear in print.

(4) With the control and ownership of raw materials, processing plants and manufacturing facilities in each nation primarily in the hands of the individual governments, the determination of whether a given atomic energy plant were legitimately engaged in producing power or were nefariously manufacturing atomic bombs would be a formidable undertaking, particularly

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since the rules to be enforced would relate to the *manner of use* of facilities legally owned by states rather than to the illegal possession of materials or the illegal conduct of processes.

A further drawback to a control system based on national ownership is that if it suddenly fails — and this must be counted a possibility — the first nation defaulting may be in the advantageous position of having all its own plants intact, a personnel already expert in the production of bombs (which might have been made illegally for some time before being detected), and perhaps a stockpile of bombs and raw materials.

(5) The State Department plan for international control is built on a more hopeful set of premises. It assumes that the ownership and operation of all atomic facilities of military potentiality shall rest initially with an international Atomic Energy Authority. Utilizing the fact that fissionable materials can be denatured, it draws a tentative line of distinction between "dangerous" and "safe" materials and activities. It proposes that the former remain within the sole province of the Authority, but that "safe" activities may be conducted by nations or by private individuals, who will obtain the necessary "safe" materials from the Authority. It further proposes that the Authority shall conduct all research within the "dangerous" areas, through a corps of the ablest researchers in atomic energy, whose secondary task will be to act as inspectors to ensure the proper conduct of the "safe" activities by nations and individuals.

Among the advantages of the plan are the identification of ownership with responsibility for the conduct of operations in a way impossible under schemes built on national ownership. This permits drawing up a much simpler rule of law, making illegal the mere possession of certain materials or the mere conduct of certain processes. It also offers more security in the event the system breaks down, for a judicious distribution of plants among many nations at the start can assure that a monopoly of knowledge and facilities would not be concentrated, even under the very worst circumstances, in the hands of any one national group. Most important of all, it makes inspection a positive function and ensures that the inspectors shall be research men of the highest caliber who will have the knowledge and interest required to detect evasions and ensure enforcement.

The scheme's principal handicap, perhaps, is that it calls

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for so large a grant of national sovereignty to the international authority. We cannot gauge as yet the political obstacles which this fact may create. But any form of international control will encounter political objections; and if there is to be international control of atomic energy in any form these political objections will have to be squarely met.

At length the country is face to face with the real issue. The American policy has on the whole been sound. The Anglo-American-Canadian Declaration gave statesmanlike evidence that we recognize the scope of the problem no less than its critical nature. But we have been slow to act, and that slowness has been costly. A great psychological opportunity to enlist public opinion in favor of the necessary grant of sovereignty was lost at the very beginning; and every step that has been taken, down to the publication of the State Department report, has lost force by being delayed. The essential fact of the question of the control of atomic energy is that a delegation of sovereignty such as the State Department plan proposes will inexorably be a part of any plan which promises to be effective, and that the public mind must be prepared for this through an understanding both of the logic of the situation and of the calamitous nature of the alternative policy of national control and national competition. The necessary faith in international control cannot be called into being by the touch of a wand. It must be built link by link, and gather power as it proceeds. But there is not a moment to lose; the chain reaction that can blow civilization apart is under way also. Once again — and more truly than ever before — the race is between education and disaster.

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LENIN'S DEMOCRACY, AND STALIN'S

By Mark Vishniak

IT IS impossible to understand the essence of the Soviet system without constantly keeping in mind Lenin's psychology. In 1905 Lenin had dreamed and planned a revolution achieved by a minority group of "modern social-democratic Jacobins" or "professional revolutionists," but achieved as a *democratic* revolution — a democratic republic oriented from the Socialist point of view in the interests of the working class. He held the classical Marxian concept of the *Zusammenbruch*, or breakdown of the capitalist order as a result of an international movement of the working class. Such a movement would be, according to Marx' and Engels' "Communist Manifesto" of 1848, "a movement of the tremendous majority." Marxism strove to assimilate the principles of democracy with dictatorship. Socialism or Communism was looked upon as a step which developed out of bourgeois democracy — a fulfilment of democracy which would come in spite of the bourgeoisie. When he arrived in Russia in 1917, however, Lenin was planning a Socialist revolution, within the frame of democracy if possible, but in spite of democratic principles if necessary. His concept which had come into being during the World War held that the Socialist transformation of society need not wait for democracy to grow into Socialism. Under such a concept, the dictatorship of the proletariat became a flat negation of bourgeois-democratic principles.

Lenin arrived in Petrograd a month after the March Revolution had triumphed over Tsarism. The next day, April 4 (17), he appeared in the Workers' and Soldiers' Soviet with a report "On the task of the proletariat in the present revolution." Its content was summarized in ten "theses." The fifth of them read as follows: "Not a parliamentary republic — a return to it from the Soviet of Workers' Deputies would be a step backwards — but a republic of Soviets of Workers, Agricultural Laborers and Peasants' Deputies, throughout the land, from top to bottom."[1] The report and these theses were an extreme surprise even for the nearest of Lenin's partisans and friends. Many of them literally choked. One exclaimed publicly: "We expected to meet

[1] Nikolai Lenin "Collected Works." New York: International Publishers, 1929, v. XX, p. 108.

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a disciple of Marx; we have heard instead a disciple of Bakunin . . ." Lenin's political ingenuity — or even genius — is clear from the fact that, although almost completely isolated even in his own group, he was not in the least discouraged by this reception of his opinions; and indeed, a few months later, after hard day-by-day fighting, he had reconquered his former adherents and at their head had overthrown the Provisional Government.

Lenin never forgot to remind his colleagues that Russia was a backward, agricultural, peasant country which had been shattered by an ill-fated war. But it was exactly for this reason that he favored starting the Socialist revolution there: more advanced lands would later help to complete it. Lenin's main idea, one may even say his obsession, was that Socialism is a negation of the bourgeois capitalist order; he did not think of it as a positive objective in itself. He frequently repeated the well-known phrase of Napoleon — "*On s'engage et après on voit.*" To this main idea Lenin and his partisans subordinated all human and social values — human lives and the principles of democracy as well.

Historically speaking, the Soviets ("soviet" simply means "council"), which appeared in 1905 partly spontaneously and partly "methodically" — that is, planned as a mass organized for a political struggle — became in 1918 a machine for governing. The paradox is that this Soviet system was in fact called forth by the very weakness of the Russian Revolution and its need for an extremely rapid method of mass organization, and that after such an origin the system was described as possessing a kind of mystic virtue in itself; it became a "higher" form of democracy. In short, it was now asserted that history was moving from democracy toward Sovietism and not vice versa. From the time the Bolsheviks assumed power the Soviets became not only an *instrumentum regni* but also a symbol for those who dreamed of social revolution and Socialism.

At the Third All-Russian Soviet Congress, which assembled in the days of the forced dissolution of the Constituent Assembly, Lenin publicly announced: "As long as the revolution did not go beyond the framework of the bourgeois régime, we were for democracy. But as soon as we saw in the revolutionary current the first gleams of Socialism, we strongly and decisively took a stand for the dictatorship of the proletariat."[2] A "merciless war" on the "miserable bourgeois-parliamentary republic" was de-

[2] Nikolai Lenin, "Sotchineniia," 2nd Edition, v. XXII. Moscow: Gosizdat, 1929, p. 219.

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clared from the Constituent Assembly platform by Bukharin, the official speaker of the ruling party and Lenin's favorite adherent. He controverted the "bourgeois idea" that a "people's will" or "common will" existed for bourgeoisie and proletariat: the will of the whole population in the last analysis is nothing other than the will of the ruling classes, he said.

The political literature of this time bristles with invectives against democracy: it is a "bourgeois lie," "a deeply reactionary idea," it means "ruin," "sabotage," it is a "call to pogroms," [3] and so forth. Lenin himself used such vituperation freely. "Democracy is a form of bourgeois state," said he, "for which all traitors to genuine Socialism stand up." [4] And he wrote: "The more highly developed a democracy is, the more imminent are pogroms or civil war in connection with any profound political divergence which is dangerous to the bourgeoisie." [5] Lenin identified the Soviet system with the dictatorship of the proletariat, which he repeatedly defined as "a rule won and maintained by the use of violence and unrestricted by any laws." [6] For Lenin, the rule of the bourgeoisie with its "democratic republic, Constituent Assembly, popular elections, etc." was the extreme opposite of this dictatorship of the proletariat. When democratic republics and constituent assemblies appeared after the First World War in Germany and in Austria, Lenin treated them in this spirit. That was his last conclusion about democracy and he did not change it.

II

Though Lenin and his adherents ridiculed the petty bourgeois tendency to turn the Soviets into "parliamentarians," they were not able to deny that even a proletarian régime needed a representative body. Their constitution, therefore, had to provide for such an organ.

The "socialist character" of the Soviets was described by Lenin as consisting "first in this: that the electorate comprises the toiling and exploited classes — that the bourgeoisie is excluded. Secondly in this: that all bureaucratic formalities and limitations of elections are done away with — that the masses themselves determine the order and the time of elections, with

[3] *Cf. Pravda*, February 17, 1918.
[4] "Sotchineniia," *op. cit.*, p. 219.
[5] Nikolai Lenin, "Collected Works." New York: International Publishers, 1945, v. XXIII, p. 362.
[6] "Sotchineniia," 3rd edition. Moscow: Gosizdat, v. XXIV, p. 466.

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complete freedom of recall of elected officials. Thirdly, that the best possible mass organizations are formed of the vanguard of the toilers — of the industrial proletariat — enabling them to participate actively in political life, to train them politically through their own experience." [7]

This was the task as it appeared before the constitution was drafted. The political enthusiasm of the framers of the Soviet state was concentrated upon "ruthlessly suppressing all exploiters" and upon ensuring power "completely and exclusively" for the laboring masses, guided by the Bolsheviks (Articles 3, 7 and others of the constitution). The bourgeoisie was to be excluded from the work of building the state, hence the denial of universal suffrage. It was necessary at the same time to ensure the guidance of the laboring masses through their class "vanguard," the urban proletariat, as well as through the political vanguard and mouthpiece of the latter — the Bolshevik Party. Hence the denial of the equal ballot and the granting of privileges to the urban population.

One vote, it was claimed, is equal to another only arithmetically or formally, not politically and socially. The representation in the Soviets, provided by Article 25 of the constitution of 1918, was on the basis of one deputy for each 25,000 *electors* in cities and for each 125,000 *inhabitants* in the country — a scheme which favored the city workers over the peasantry at the rate of about five to three. But the vote of the worker in a small city or township was not equal to a big-city worker's vote. The town Soviets, the state farms (*sovkhozy*), the MTS (tractor stations), the plants and the factories located outside the town settlements, were represented at the Regional Congresses of the Soviets at the rate of one deputy for every 60 electors, whereas the village Soviets had one deputy for every 330 inhabitants.

The urban population was favored at the Congresses in two other respects. First, the constitution of the United Republics provided for direct representation of cities and workers' settlements at the higher Congresses of the Soviets. Secondly, the urban electors had double representation through their professional unions and political organizations. This was natural and logical, since the vote was regarded not as a function of a human being or of citizenship, but as a social function to be used in the interests of Socialism. From this point of view neither direct

[7] Nikolai Lenin, "The Soviets at Work," 5th edition. New York: Rand School, 1919, p. 39.

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representation nor the secret ballot was necessary; and indeed, only the lowest local Soviets, urban and rural, were elected directly; all the rest were elected indirectly. The Soviet Constitution of 1918 and that of 1924 did not provide for balloting procedure. Formally it could be either open or secret. "As a rule, however," testifies Andrei Vyshinsky, "the Soviet elections were by open ballot." The instructions for elections to the Soviets were drawn up in the same sense.[8]

"The keynote of the whole Soviet system," writes Professor G. S. Gurvich, the historian and one of the framers of the constitution of 1918, is to be found in the principle that the "working population is organized not according to artificial territorial divisions, but in productive units, such as factories, plants, enterprises, mines, settlements." [9] The Soviet system, in other words, substitutes the "collective body in the form of productive nuclei, state institutions and enterprises and professional unions" for separate individuals as electoral units.[10] The electoral system of the Soviets was not limited to representation of "productive units" in the literal sense. Military units, fire brigades, the secret police, etc., also elected their own representatives as organized entities which function for the benefit of the public. The theoretical peculiarity of the Soviets — *la grande idée du règne*, so to say — was the substitution of a collective representation for an individual and "liberal bourgeois" one.

The technical reasons for the justification of the Soviet system were much more elementary. According to Lenin, the distinctive feature of the Soviets and the source of their superiority over a bourgeois parliament consist in the fact that "the Soviets are the direct organization of the toiling and exploited masses themselves, which *helps* them to organize and administer the state themselves in every possible way. . . . The Soviet organization automatically helps to unite all the toilers and exploited round their vanguard, the proletariat." It is "much easier" for the latter, massed and organized by the large enterprises, to prepare a slate and to control elections. Indirect elections to non-local Soviets made it easier to hold congresses of Soviets; they made the entire apparatus less costly, more flexible, more accessible to the workers and the peasants at a time when life was seething

[8] Andrei Vyshinsky, "Sovetskoie Gosudarstvennoie Pravo." Moscow: Academy of Sciences, 1938, p. 624.
[9] "Osnovy Sovetskoi Konstitutsii," 5th edition. Moscow, 1926, p. 114.
[10] G. S. Gurvich, "Istoriia Sovetskoi Konstitutsii." Moscow: Socialist Academy, 1923, p. 60.

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and a local deputy might have to be quickly recalled, Lenin explained.[11]

To summarize, it may be said that for a score of years, from 1918 to 1937, the Soviet system was defended in theory and enforced in practice as a direct antithesis to democracy and as the denial of democracy. While democracy had originated and developed through recognition of individual rights of men and citizens, the Soviet system of the heroic phase of the Bolshevik's rule, on the contrary, remained silent as to these rights and laid emphasis on the collective right of laboring and exploited people. Throughout a century, democracy had fought — with variable success in different countries — for recognition and consistent realization of the universal suffrage; the Soviet system rejected the universal franchise, as well as the equal franchise with direct and secret ballot, and adopted a limited suffrage with unequal, indirect and open voting. In the democratic states, representation was based on elections from districts which did not have pronounced political characteristics; the Soviets prided themselves for twenty years on representation not of persons or citizens, but of groups and institutions which the ruling party recognized as coöperative and useful bodies. Thus the entire population was divided into constituencies which were more or less privileged, and those which had no privileges at all. Democracy invariably differentiated three branches of government, struggled against the concentration of the legislative and administrative branches in the hands of a single body, and insisted on the independence of the judiciary. The Soviet system, inversely, denied the principle of the separation of powers and that of checks and balances. One of Lenin's "theses," proclaimed at the VII Party Congress in March 1918 and emphatically repeated by his disciples, announced the "abolition of parliamentarism as characterized by the separation of the legislative and administrative branches and the fusion of administration with legislation." The Soviet system, representing a pyramidal structure, recognized the right of the elected to supervise and control the electors — in spite of the formal right of the electors to recall their deputies; and it likewise provided for the control and supervision of the legislative branch by the executive.

Lenin despised democracy and frankly considered dictatorship a superior form of government. He found in his dictatorship all

[11] "Collected Works," *op. cit.*, v. XXIII, p. 364–365.

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the advantages which democracy possesses in the eyes of its adherents, besides a multitude of other virtues. When attacking his opponents, however, Lenin sometimes tried to use their language and terminology. Even at such times the "democracy" of which he spoke kindly was not a form of government protecting rights and freedoms of man, but one which better protected the economic interests of unprivileged classes. This is the explanation for assertions made by Lenin, as well as other Soviet officials, to the effect that the Soviet system was "a million times more democratic than any bourgeois democracy; the Soviet Government is a million times more democratic than the most democratic bourgeois republic." [12] Such references do not, of course, indicate that the Soviet system during its first 25 years was not, in substance and officially, the opposite of democracy and parliamentarism.

III

The official doctrine remained unchanged for twenty years. Following a temporary shift in the foreign policy of the Soviets, the approach to the method of Soviet representation and thereby of the Soviet constitution was modified. On September 18, 1934, the U.S.S.R. joined the League of Nations; and February 1, 1935, the Plenum of the Central Committee of the Communist Party decided to revise the constitution along more democratic lines. Molotov was entrusted with presenting this suggestion to the VII Congress of the U.S.S.R., which accordingly took steps to amend the constitution "in the direction of a further democratization of the electoral system by replacing the not entirely equal suffrage, indirect elections by direct elections, and the open ballot by the secret ballot." [13]

For this purpose the Congress appointed a Special Committee under the chairmanship of Stalin himself. The Committee was divided into 12 subcommittees, each of which was to study and to prepare recommendations on the various problems involved, such as "general matters," "juridical approach," "franchise," etc. Stalin was active in two subcommittees — on "General Matters" and in the "Editorial Subcommittee" — but, of course, his was the decisive word in the entire final draft of the new constitution. To use Vyshinsky's testimony: "The entire

[12] "Collected Works," *op. cit.*, v. XXIII, p. 365.
[13] *Cf.* Joseph Stalin, "Leninism." New York: International Publishers, 1942, p. 379.

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constitution as well as each word in it have been sealed by the genius of Stalin, the inspirer and the creator of the new constitution."

The draft was made public on June 12, 1936, and an "informal discussion" throughout the country resulted in more than 43,000 proposals of suggested changes in the draft.[14] Nevertheless, it was presented in its initial form to the VIII Extraordinary Congress with Stalin reporting. There could be no argument. Stalin's version was imposed. The Congress "unanimously" approved the text as presented, with a very few minor changes, recommended by Stalin. The new constitution was christened "Stalin's" and was to enter into force on January 1, 1937. Just as during the preceding two decades Lenin's comment and interpretation of the Soviet constitution was binding for every loyal Communist in Russia and abroad, so, since 1936 and to date, Stalin's interpretation of the sense and the aims of "his" constitution became compulsory for every Communist-minded person all over the world. This makes a study of Stalin's views and pronouncements on the new constitution deserving of special attention. Why had the Communist Party made such a drastic about-face in its attitude toward universal suffrage?

As reported by Stalin, and subsequently reproduced time and again in all Soviet and pro-Soviet writings, the main reason for this change lay in "the complete victory of the Socialist system in all spheres of national economy." In conformity with the economic changes, the class structure of the Russian society had also changed. The former exploiting classes had been abolished: landlords, merchants, kulaks, profiteers, usurers and other harmful elements had been liquidated. This does not mean that the U.S.S.R. had become a classless society. Not at all. "There remains the working class. There remains the peasant class. There remains the intelligentsia." But how different are these classes from the ones eliminated! The working class, the peasantry, after the "all-round collectivization" in the beginning of the 30's, and also the intelligentsia are entirely new classes, "emancipated from exploitation" and united together instead of being divided by inter-class struggle as in former days.[15] If the economic contradictions are diminishing and even destroyed, and the distances

[14] *Cf.* Sidney and Beatrice Webb, "The Truth About Soviet Russia." New York: Longmans, Green, 1942, p. 33. Beatrice Webb, in the last years of her life an enthusiastic admirer of Soviet Communism, gives the number of suggested amendments as 134,000.

[15] "Leninism," *op. cit.*, p. 382–383.

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between classes are growing less and even disappearing, there exists no reason for political privileges and discrimination. The new constitution should reflect the fact that Socialism has been achieved. It follows that one of the specific features of the new constitution should be "its consistent and thoroughgoing democracy" without reservations and restriction — "all citizens have equal rights" . . . "it is not property status, not national origin, not sex, not office, but personal ability and personal labor that determine the position of every citizen in society."

The declaration of the rights of the laboring and exploited people disappeared overnight, and was replaced in the new constitution by a special chapter of "Fundamental Rights and Duties of Citizens." Representation of individuals from electoral districts took the place of the original Soviet system of representation of collective groups, in the constitution of the U.S.S.R. and in the constitutions of each of the 16 Soviet Republics which since 1940 have formed the Soviet Union. Members to the Soviets of the Union were to be elected by individuals in electoral areas set up on the basis of one deputy for every 300,000 of population. The members of the Second Chamber, called the Soviet of Nationalities, were to be elected in the various Union Republics (25 deputies for each Republic), Autonomous Republics (11 deputies each), Autonomous Regions (five deputies each) and National Areas (one deputy each). Disregarding the usual practice of "bourgeois" elections, the electors in the U.S.S.R. were to elect deputies to the Soviet of the Union (the first or the lower chamber) and the Soviet of Nationalities simultaneously.

Interpreters and glossarists of the new constitution have undertaken special studies to find in Lenin's writings a justification for such a drastic change in the party line. In this they have succeeded. It appears that Lenin himself admitted that "the disfranchisement of the bourgeoisie is not absolutely and necessarily a feature of the dictatorship of the proletariat;" therefore he refused "to guarantee in advance that the impending proletarian revolutions in Europe will all, or the majority of them, be necessarily accompanied by restrictions of the franchise for the bourgeoisie. It may be so . . . it probably will be so; but . . . does not enter as an essential condition in the historical and class concept 'dictatorship.' "[16]

This possibility, foreseen by Lenin, still does not cover the

[16] "Collected Works," *op. cit.*, v. XXIII, p. 372 and 387.

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change of attitude not only in regard to universal franchise but also to the equal, direct and open ballot. It could not, moreover, justify the metamorphosis of universal suffrage from a tool of bourgeois exploitation into a beneficial instrument for a Socialist society. Throughout a century, Chartists, Syndicalists and Anarchists of all countries, as well as Russian Communists of every shade, were more than skeptical in regard to universal suffrage. And suddenly, in the middle of the 1930s in Russia, this traditional approach broke down. Universal suffrage was rehabilitated and triumphed over century-old prejudices. This triumph and recognition were, however, conditional; universal suffrage was accepted not in itself, but as a concomitant result of established Socialism.

The elimination of exploiters and of antagonistic classes did not, apparently, do away with the need for a dictatorship to guide society. The new Soviet constitution, described as the only thoroughly democratic constitution in the world, "does preserve the régime of the dictatorship of the working class, just as it also preserves unchanged the present leading position of the Communist Party of the U.S.S.R. . . . We Bolsheviks regard it as a merit of the Draft Constitution," said Stalin.[17]

The dictatorship, attributed ideologically and formally to the working class (Article 2 of the constitution), was combined with the recognition of universal suffrage on the basis of individual rights; in practice, however, the enforcement of the latter was subordinated to the needs of the dictatorship. Simultaneously, in the text of Stalin's constitution, the political monopoly of the ruling Communist Party was formally confirmed for the first time in Soviet history. The famous Article 126 provides that "the most active and politically conscious citizens in the ranks of the working class and other strata of the working people unite in the Communist Party of the Soviet Union (Bolsheviks), which is the vanguard of the working people in their struggle to strengthen and develop the Socialist system and which represents the leading core of all organizations of the working people, both public and state." And another Article, 141, reserved the right to nominate candidates to the Soviets only to "Communist Party organizations, trade unions, coöperatives, youth organizations and cultural societies."

In upholding the legalization of the one-party régime, Stalin

[17] "Leninism," *op. cit.*, p. 395.

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argues in the following Marxian manner: "A party is part of a class, its most advanced part. Several parties, and, consequently, freedom for parties can exist only in a society in which there are antagonistic classes, whose interests are mutually hostile and irreconcilable. . . . But in the U.S.S.R. there are no longer such classes. . . . In the U.S.S.R. there are only two classes — workers and peasants — whose interests are, on the contrary, friendly. Hence there is no ground in the U.S.S.R. for the existence of several parties, and, consequently, for freedom for these parties."

IV

Even if such reasoning is taken as irrefutable, it still does not explain why there is no ground in the U.S.S.R. for the existence of at least two parties, corresponding to the existing two "friendly" but nevertheless not identical classes of workers and peasants. At any rate, we may conclude, even if the dictatorship and the one-party régime do not violate the principles of democracy — as Stalin and others insist — the Soviet democracy is peculiar, indeed, unique. If the position of the Communist Party, which is noted for its iron discipline, party purges, expulsions, etc., remains unchanged under the new constitution, then only this party continues to enjoy the right of pre-election meetings, and it alone continues to have access to the printing press, to the radio, and to other means of protecting its policy. The non-Communist electors, as well as the non-Communist deputies, can act, and even exist, in such a situation only in so far as they are tolerated by the governing party. Under these conditions the elections of one-party candidates cease to be expressions of choice, and the universal suffrage loses its value and meaning.

In connection with the elections to the Second Supreme Soviet in February 1946, *Pravda* said that the distinctive feature of Soviet democracy consisted in the fact that the Soviet constitution "not only proclaims the universal suffrage, but also actually guarantees its realization by every citizen of the U.S.S.R." That Soviet democracy is "true democracy," was to be found in the fact that "democratic rights are realized in favor of the entire people and not only for some privileged part." [18]

When the admirers of the one-party system in the U.S.S.R. or elsewhere want to defend it against "some fervent political democrat" they also assert that such a system is necessary in

[18] *Pravda*, October 17, 1945. No. 248.

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order to educate "a mass of illiterate and oppressed peoples of diverse races and religions, among them primitive tribes," *i.e.*, the system exists *for* these peoples, races, religions, tribes. It may be noted that the Tsarist as well as the Turkish Sultan's Governments also explained their autocratic régimes by the need of ruling over uneducated peoples.

It is sometimes said that the Soviets represent a "multiform democracy," or even, to be more precise, a six-fold democracy — democracy of race, of economy, of education, of religion, of sex and of age. Those who explain Soviet democracy in these terms do not deny the absence of political democracy and civil liberties in the U.S.S.R., but simply disregard them. Montesquieu stated — not referring, naturally, to the Soviet system — *Lorsque la souveraine Puissance est entre les mains d'un partie du Peuple, cela s'appele un aristocratie.* There are many definitions of democracy. The classic definition, of course, is "government by the people." Although the Soviet Government may be "of" and "for" the people, its one-party rule can scarcely be described as government "by" the people, at least without doing violence to the common sense meaning of words. In the final analysis, perhaps, the fundamental feature of democracy consists in the belief that over a relatively short space of time the people as a whole are wiser than their temporary and occasional leaders. "The leaders pass and the people remain." Inversely, as corollary for every kind of a non-democratic régime, is the faith in the greater wisdom and ability of leaders — *Führers*, *Duces*, "professional revolutionists," predestined to guide the peoples as did the religious shepherds in the past.

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AFTER THE SAVANNAH CONFERENCE

By Fred M. Vinson

FOR the past five years this Government has advocated international economic coöperation to restore world trade and to free it from the restrictions that isolate countries and divide them into conflicting blocs. The responsibility for dealing with these problems does not rest in any one country. The problems are international and they can be dealt with only through international coöperation. We have not been content with securing agreement on abstract principles. International economic problems must be dealt with in concrete terms. We have proposed that the United Nations provide the means for continuing cooperation through the International Bank for Reconstruction and Development, the International Monetary Fund and an international trade organization.

This policy recognizes frankly that the breakdown in world economic relations in the 1930's was an important factor in prolonging and intensifying the great depression and that the economic warfare of the 1930's was part of a master plan for aggression by Germany and Japan. Conquest began by isolating the intended victim from the world economy through bilateral agreements which put the weaker nation at the mercy of the stronger. These practices must be outlawed by coöperative international action on world currency and trade practices.

Until industrial and agricultural production has revived in all countries, world trade cannot be restored to the high level necessary for a balanced world economy. The World Bank is intended to facilitate reconstruction and development, so that countries can again use their own resources for production. The Bank will help provide the supplementary capital necessary for sound and productive projects on terms fair to both the lender and the borrower. The capital of the Bank, to which 38 countries have now subscribed, will be used primarily as a surety fund. The loans made or guaranteed by the Bank will be financed almost entirely by private investors. But all countries will share in the risks of these loans in proportion to their subscriptions.

The urgency of reconstruction has been so great that it could not be delayed until the World Bank was in full operation. To take care of emergency reconstruction needs, the capital of the

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Export-Import Bank was increased, and its authority was extended by Congress to permit it to make loans for reconstruction in Europe and other devastated areas. After the World Bank is in full operation, the Export-Import Bank will continue to carry out its special function of offering our businessmen help in financing American exports and imports. In this, the Export-Import Bank will be a useful American supplement to the international institutions designed to facilitate the expansion of trade.

The expansion of world trade requires the elimination of the restrictive and discriminatory currency practices that grew up in the prewar decade. The United States, England and France tried unsuccessfully to accomplish this task through the Tripartite Accord of 1936; the problem is now much more difficult because of the extension of these devices during the war. The Monetary Fund, to which 39 countries have already adhered, will facilitate a full flow of trade by promoting stable and orderly exchange arrangements. The members of the Fund undertake to maintain fair currency standards under which trade can expand and grow. Countries that abide by these standards can obtain help from the Fund out of the resources subscribed by the members.

These financial measures for international economic coöperation must be supplemented by other measures to reduce the barriers to trade. The Bretton Woods Conference adopted a resolution which recommended that the participating governments seek "to reach agreement as soon as possible on ways and means whereby they may best reduce obstacles to international trade and in other ways promote mutually advantageous commercial relations." This government has been aware of the necessity of dealing with trade problems and has submitted to other governments proposals to relax trade barriers of all kinds, to eliminate discriminations and to establish an international trade organization that will maintain fair trade practices.

At the time the Anglo-American Financial Agreement was negotiated, the Government of the United Kingdom expressed its full support for the American proposals on trade. The first steps have already been taken to carry out these proposals. The Economic and Social Council of the United Nations has agreed to convene an international conference on trade and employment in the latter part of 1946. The British Commonwealth and eight important trading nations have accepted the invitation of the United States to meet in advance of the conference to consider

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reductions in trade barriers in accordance with the American proposals.

This whole program for international economic coöperation, now nearing completion, cannot be put into operation until Britain can meet her balance of payments problem. The war has seriously disrupted her international economic position. She will require help from abroad to secure for the next few years the imports she must have to maintain the living standard of her people and to enable her industries to function. If she could get help from the United States and Canada, she would be prepared to put into effect these fair currency and trade practices. The Financial Agreement with Britain will make it possible to put promptly into operation the United Nations program of international economic coöperation.

II

The World Fund and Bank are the result of careful planning that began in 1941. The agreements were formulated at the conference in Bretton Woods in 1944, and ratified in Washington on December 27, 1945. During these four years, there has been thorough public discussion of the Fund and Bank in the United States, Britain and Canada. This debate, in the best democratic tradition, has been very helpful. Its effect has been to achieve the support of an informed public for a comprehensive program of international economic coöperation.

While the Articles of Agreement of the Fund and the Bank came into effect at the close of 1945, these two institutions were still merely shadows. They had to be brought to life. The inaugural meeting of the Boards of Governors of the Fund and the Bank was called by the United States to convene in Savannah, Georgia, March 8, 1946, for the purpose of bringing these institutions into operation. The countries already members of the Fund or Bank were represented at the meeting and seven other countries sent observers. The Savannah meeting was extraordinarily successful in dealing with the questions on which the organization and operation of the World Fund and Bank depend.

One important problem was to keep membership in the World Fund and Bank open to nine countries which had not yet ratified the Agreements. Australia and New Zealand, and some Latin American Republics, could not accept membership in December because their legislatures were not in session. Russia has ap-

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parently not yet decided whether she will participate fully with the other United Nations in the World Fund and Bank. All these countries, except Liberia and Haiti, showed their continued interest in the Fund and Bank by sending observers to the inaugural meeting. The Governors adopted a resolution which keeps membership open until December 31, 1946, on the original terms, to all countries that participated in the Bretton Woods Conference. This will give these countries ample opportunity to consider more fully their participation in the United Nations economic program.

It had always been thought that other countries will wish to join the Fund and Bank, and the Articles of Agreement provide that membership shall be open to them in accordance with prescribed terms. Under the by-laws adopted at Savannah, new countries can apply for membership by filing an application with the Fund and Bank setting forth all relevant facts. The Executive Directors will consult with the applicant; will recommend to the Board of Governors of each institution the quota and subscription and such other conditions as they believe the Governors may wish to prescribe; and the Governors will then pass on the application.

A number of countries indicated their interest in becoming members of the Fund and Bank during the inaugural meeting. At their request the United States Government placed before the Governors the applications of Lebanon, Italy, Syria and Turkey, which were referred to the Executive Directors for consideration and recommendation. Action on the ensuing recommendations will probably be taken by the Governors at their first annual meeting in September 1946.

The Governors also agreed on a quota of $68,000,000 for Denmark in the Fund and a similar subscription in the Bank. Because Denmark had no government independent of Axis control, she was represented at the Bretton Woods Conference by the Danish Minister in Washington acting in his personal capacity. The Danish Government has now ratified the Bretton Woods Agreements and is a full and original member.

The Articles of Agreement provide that the principal offices of the Fund and Bank will be in the United States. The Governors had to select the city in which the institutions would be located. The United States felt that, all things considered, the Fund and the Bank would derive the greatest advantages from being sit-

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uated in Washington. It must be remembered that these are not ordinary institutions with ordinary stockholders. They are coöperative enterprises of governments and their chief business is with governments. Their location in Washington would have the great merit of making it easy for all the members to carry on their business with them, since all members have adequate representation in that city. But more than merely this convenience is at stake. The Fund and Bank are not business institutions in the ordinary sense. While they must be operated so as to conserve their assets and allow the most fruitful use of their facilities, they are not profit-making institutions. The business of the Fund and Bank involves matters of high economic policy. They should not become just two more financial institutions.

The Governors adopted a number of resolutions for interpreting the Fund and Bank Agreements by the Executive Directors. At the request of Britain, the Executive Directors of the Fund were asked whether steps to protect a country from persistent unemployment, arising from pressure on its balance of payments, are to be considered measures necessary to correct a fundamental disequilibrium. They were also asked whether the Fund may permit use of its resources for other than current monetary stabilization operations which afford temporary assistance in connection with seasonal, cyclical and emergency fluctuations in the current balance of payments. Further, they were asked whether the Fund has authority to permit the use of its resources for relief, reconstruction or armaments, or to meet a large or sustained outflow of capital. The Executive Directors of the Bank were asked whether it has authority to make long-term stabilization loans. The interpretations, except that requested by Britain, are called for in the Bretton Woods Agreements Act adopted by our Congress.

III

At Savannah there was some difference of opinion among the Governors as to whether the Executive Directors of the Fund and Bank would have to devote all of their time to the business of the Fund or whether they could be partly occupied with other duties. The Articles of Agreement provide that the Executive Directors shall function in continuous session at the principal office and shall meet as frequently as the business of the Fund and Bank requires. It is clear that this provision assumed that the Executive

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Directors would always be quickly available for business sessions. This question is closely related to the responsibility intended to be vested in the administrative officials of the Fund and Bank. If final authority is vested in the administrative officials, the Executive Directors become little more than an advisory body. In my opinion, this would be contrary to the manner in which it was intended to operate the Fund and Bank. It is questionable whether in practice it would be an effective way to manage two large international institutions. The Managing Director of the Fund and the President of the Bank must be capable men with great vision and a high sense of duty. The men chosen meet these high qualifications. Even so, it is unwise to lodge complete responsibility for management in one man. It is necessary and prudent to require that the policies of the administrative officials be made in consultation with the Executive Directors.

The United States felt it essential that the Executive Directors devote all of their time to the business of the Fund and Bank. The United Kingdom felt that the Executive Directors might well be responsible officials of the Treasury or the Central Bank of a member, available to come to the head office for a meeting from time to time when required, but not expected to devote all their time to the business of the Fund and the Bank. Whatever the merit of this argument as it affects appointed Directors, it clearly does not extend to the elected Directors. Seven of the 12 Executive Directors were elected by 35 countries that do not have a right of appointment. Each of these Directors represents on an average five countries. It is inconceivable that an elected Executive Director, representing two or more countries, should give only part of his time to his international duties. The countries that elect such a man have a right to expect that his complete devotion to their interests in the Fund and Bank will not be impaired by duties with his own government which leave him less than full time to represent them.

There will be plenty of work to occupy the Executive Directors during the first two years. The Fund must consider the question of initial exchange rates, multiple exchange rates, exchange controls and exchange restrictions. The Bank must consider the raising of funds from the market, the types of security to be issued, the terms of loans and similar problems. The next two years will be a critical period in which international monetary and financial problems will be of major importance. For these two

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years it is essential that the Executive Directors should always be available to give their time in full to the problems of the Fund and Bank. The solution worked out in the by-laws of the two institutions is a practical one. An Executive Director and his Alternate will devote all of the time and attention required to the business of the Fund or Bank, and one or the other will be continuously available at the principal office. In the end, the problem will have to be solved in the light of experience.

These institutions have great responsibilities and they are entrusted with tremendous resources. They will need able Directors, men of the highest competence who will devote their time and attention to the Fund and the Bank. Their salaries have to be somewhat comparable to those paid by banking institutions. The salary for a full-time Executive Director is $17,000 a year and for an Alternate $11,500 a year, both net of income tax. (The fixing of salaries in this form is necessary to assure equality of compensation to the international staff of the Fund and Bank, and is in accord with the practice of the United Nations.) These salaries seem good but not excessive compensation for the kind of men the Fund and Bank must attract. Where an Executive Director or Alternate serves only part-time, compensation will be in proportion to the time served. An Executive Director or Alternate serving both the Fund and Bank will be paid in equal parts by each.

The first Executive Directors of the Fund and Bank were elected at the inaugural meeting of the Board of Governors. It is a mark of the coöperative spirit of this meeting that there was almost complete unanimity in their selection. The men chosen comprise a very capable group with long experience in international finance. The wide geographic distribution assures ample representation to every important economic area of the world. The United States, Britain, China, France and India have appointed, and Canada, Netherlands and Belgium have elected, Directors of the two institutions. The Latin American Republics are represented by Mexico and Brazil on the Fund and by Cuba and Chile on the Bank. In addition, Czechoslovakia and Egypt have Directors on the Fund and Poland and Greece have Directors on the Bank.

A special problem has arisen regarding the five Executive Directors appointed by the countries with the largest quotas or subscriptions in the Fund and Bank. It was expected that these coun-

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tries would be the United States, Britain, Russia, China and France. Because Russia has not yet joined the Fund and Bank, India has become the country entitled to appoint Directors. Obviously, if Russia accepts membership at some later time an arrangement will be necessary to assure representation to both Russia and India until the next election of Directors.

The Articles of Agreement of the Fund and Bank provide that when new members come into the Fund and Bank, additional Executive Directors may be elected to broaden the representation. At Savannah, the Governors adopted a resolution which provides that such additional Executive Directors will be elected to serve until September 1948 provided the countries not represented by the Directors have votes totaling 4,000, and the unrepresented countries include one or more who did not participate in the Bretton Woods Conference. In this way all countries will be assured of full representation on the Executive Directorate, until the next election of Executive Directors.

IV

The greatest achievement of the inaugural meeting in Savannah was not in settling these difficult questions of organization. It was important that they be decided in a manner offering the greatest hope of efficient and successful operation. But far transcending these achievements was the spirit which pervaded the meeting.

The Savannah meeting showed that all countries are deeply conscious of the necessity of making the Fund and Bank work. Differences on matters of detail were ironed out by discussion, through the democratic process of give and take. The common determination to work together made the meeting an inspiration to all who have faith that international coöperation can and will succeed. The Fund and Bank will need capable and devoted officers and staffs and wise governors and directors. But above all their strength must come from the constant help and support of the people of all nations.

The World Fund and Bank cannot live as the creatures of any one nation. They will succeed in performing their important tasks only if they continue to be the basis for constructive coöperation among all nations. This will require understanding and forbearance. The people of all countries must insist that their representatives on the World Fund and Bank should not seek petty and

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temporary advantages. These institutions are too important to the world to be endangered by narrow and shortsighted policies; they must be operated for the benefit of all mankind.

The World Fund and Bank have important tasks to perform. To each has been entrusted a particular field of endeavor. The Fund has been charged with establishing stable and orderly exchange arrangements and helping countries maintain fair currency standards. The Bank has been charged with helping countries to secure capital for worth-while projects of reconstruction and development. Each institution, by performing its functions well, will facilitate the success of the other. It is, therefore, of the utmost importance that they work together in harmony.

It is well to point out that the Bretton Woods Agreements Act authorizing American participation in these two institutions took cognizance of this problem. The Act made special provision for coördination of the work in so far as that could be done in the American legislation. This Act is a model of careful drafting in this respect. Without encroaching on the rights of the Fund and Bank as international institutions, it requires the American Governor and Executive Directors of the Fund and Bank to do all in their power to assure close coöperation between them.

The United States appointed a single Governor to the Fund and Bank; and of the 38 countries that are members of both the Fund and Bank, 31 have followed the precedent of the United States and named a single Governor. The Governors of the two institutions further emphasized the importance of close coöperation between them by selecting the American Governor to be Chairman of the Boards of both institutions, and by selecting the Governors for the United Kingdom, China, France and India to be Vice-Chairmen of both Boards. The By-laws of both the Fund and Bank provide that a representative of the other institution may be invited to participate, without vote, in meetings of the Board of Governors and the Executive Directors.

The manner in which the Fund and Bank have been working together gives great promise of the harmony which our legislation hoped to promote. The inaugural meeting was a joint one: all of the business of the Fund and Bank was placed before the same group of men and any action on either the Fund or Bank was considered on the basis of the interests of both. It is my hope that the success of this joint meeting will be a precedent when the Governors of the two institutions meet again in September.

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V

Any discussion of the operation of the World Fund and the Bank must take note of the special position and responsibility of the United States. The two institutions are located in this country. We are the largest subscriber to them. The American Governor is Chairman of the Boards of Governors of the two institutions. Some of the high officials of the Fund and Bank are Americans. Ours is a position of tremendous power and is, therefore, also a position of special responsibility. The faith that other nations have shown in the United States must not be abused for selfish ends. I know that our people want us to do all in our power to make the World Fund and Bank truly international institutions.

The United States is the greatest single economic force in the entire world. If the world economy is to function, we must import and we must invest. We can maintain the high level of balanced international trade and productive foreign investment that is required for our own well-being and for the prosperity of the world only if we have a high level of production and employment. For it is our level of income that governs our imports and foreign investment; and these are important determinants of world economic activity. The greatest contribution that the United States can make to the peace and prosperity of the world is to keep America strong and prosperous and the advocate of justice in the council of the nations.

Because of the importance of our policies in the successful operation of the Fund and Bank, Congress established the National Advisory Council on International Monetary and Financial Problems to coördinate the work of the American Governor and the American Executive Directors on the two institutions, and the policies of all agencies of this government engaged in foreign financial and monetary transactions. The Council consists of the Secretary of the Treasury, the Secretary of State, the Secretary of Commerce, the chairman of the Board of Governors of the Federal Reserve System, and the chairman of the Board of Trustees of the Export-Import Bank. Its structure will facilitate the highest degree of coöperation between the Government of the United States and the Fund and Bank. The Secretary of the Treasury is ex-officio chairman of the National Advisory Council. He is also the Governor for the United States on the Boards

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of the World Fund and Bank, and chairman of the Boards of Governors of the two institutions.

The National Advisory Council will have ultimate responsibility in formulating the policy of the United States on international financial matters. Obviously, it is important that the American representatives in the Fund and Bank should work closely with the National Advisory Council so that the United States will not find itself acting at cross purposes with these two institutions. Our own policies must in every possible way be made to facilitate the attainment of the objectives for which the Fund and Bank were established — objectives which we have in common with the United Nations. The National Advisory Council is aware of the importance of its work. The policies it has been carrying out are a complete fulfillment of the concept of international economic coöperation.

In the end, the success of the Fund and Bank will not depend on the Articles of Agreement, the by-laws, or the Bretton Woods Agreements Act. It will depend on the men who run them. They must be managed by human beings. We cannot expect them to be completely free from the ordinary errors to which the human mind is subject. But we must ask and insist that the men who manage the Fund and Bank should be men of vision, imbued with the high ideals which the two institutions represent. All officials and members of the staffs of the Fund and Bank must always be aware of the international character of their duties. They are in truth among the trustees of mankind for a world free from war and want. They must keep that sacred trust.

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THE SOVIET PEACETIME ECONOMY

By Nikolai Mikhailov

IT TOOK the Soviet Union four years to crush the German war machine. How long will it take to restore all that the Germans destroyed on its territory?

Twice in the lifetime of one generation the Soviet lands have been subjected to devastation. The damage done in the Second World War, moreover, was far greater than that inflicted during the First. The armies of Hitlerite Germany completely or partially destroyed or burned down 1,710 Soviet towns and more than 70,000 villages and hamlets, in all depriving nearly 25,000,000 people of shelter. The total damage inflicted upon the Soviet Union by the Nazi invaders is estimated in money terms at 679 billion rubles. In terms of human life, the Soviet losses reached nearly to the figure of seven millions, approximately the total population of Australia. Gutted buildings, huge piles of smashed brick and plaster, demolished railways, fields overgrown with weeds, hungry people living in dugouts — such was the picture of the devastated western regions of the U.S.S.R. after the Germans had been expelled.

Six years were needed to restore the losses suffered by Russian industry after the First World War. This time the Soviet Union intends to achieve the prewar level of industry twice as fast.

The restoration of the national economy in the western parts of the U.S.S.R. started immediately after their liberation, while the war was still in progress. Whereas earlier, during the peaceful years of industrialization, the more developed western areas of the U.S.S.R. had helped the eastern regions of the country to grow, the latter developed rapidly during the war years and now began to help the western areas to get back onto their feet. Materials, machinery and people streamed from east to west.

The work which has been done to restore the economy of the western regions has begun to show considerable results. Donbas, the principal center of the Soviet coal industry, again occupies first place among the coal regions of the country. By the beginning of the current year it had already reached half its prewar productivity. The full rehabilitation of Donbas will require the restoration of more than 2,500 kilometers of galleries in the coal mines — meaning that workmen must go through them and prop them up,

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at depths ranging from 200 to 700 meters, for a distance equal to that from Moscow to Paris. The Moscow coal region, which likewise suffered heavily at the hands of the German invaders, not only has achieved its prewar level of coal production; by the beginning of 1946 it had doubled its output.

The work of restoration is proceeding at a fast pace in the iron and steel industry of the Ukraine, which played such an important rôle in the national economy of the U.S.S.R. By the beginning of this year, 20 blast furnaces, rising from the ruins, were in operation in the Ukraine. The machine industry is also making a rapid recovery. At Kharkov, the industrial enterprises left in ruins by the retreating Nazis are again turning out tractors, turbines and bicycles.

Power stations were almost completely destroyed by the enemy. For instance, only 5 percent of those in Belorussia remained intact after the Germans had been expelled. They are now being rehabilitated and put into operation. The famous Dnepr hydroelectric plant, the biggest in Europe, had to be practically built anew; but the work is progressing at such a pace that the plant will be ready for operation toward the end of this year.

Reconstruction is being carried out in the field of transport on a large scale. Railway tracks are being repaired and temporary wooden bridges and new railway stations are being erected on the sites of those burned down by the Germans. One-third of the total railway network of the country was restored in the course of a single year. Inland waterways are likewise undergoing speedy rehabilitation. The Dnepr-Bug canal in Belorussia has already been restored. Restoration work continues on the wrecked Baltic-White Sea Canal, and navigation is to be resumed on it this year.

In agriculture, too, rehabilitation work is in progress. Machine and tractor stations are being restored and sowing areas expanded in the western regions of the U.S.S.R. Crop yields are steadily increasing. In the Ukraine, the area sown by collective farmers last year reached almost three-quarters of the prewar total.

In the towns, housing construction is continuing on a wide scale. Cities such as Stalingrad, Novorossiisk, Smolensk and others devastated by the Nazis are being built anew. In Leningrad, which suffered heavily from German bombardment, more than one million square meters of living space were restored in 1944 alone. In the countryside, peasant families are moving out of

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dugouts into new homes built at collective farms in accordance with new standard designs.

Throughout the devastated western regions of the U.S.S.R., indeed, restoration work is going on. Nevertheless, only a small part of it has been accomplished to date. Many industrial enterprises still lie in ruins, many fields have not yet been sown and the crop yield is low in the former occupied areas. In Belorussia, for instance, industry attained only one-fifth of its prewar output by the beginning of the present year. The population is greatly in need of household goods. In their retreat the Germans left zones which can simply be described as deserts.

The new Five Year Plan calls for restoration work on a large scale to be carried out in all these western regions of the U.S.S.R. The prewar industrial level should be reached by 1948. In the process of rehabilitation, many shortcomings of the past are being eliminated. Power and fuel industries are being established where they never existed before. Whereas the Donbas, for instance, used to supply the whole of the Ukraine with coal, now the western part of the Ukraine will have its own coal industry. New industrial plants are being built at the same time that those formerly in existence are being restored. Thus construction of the first automobile factory in the Ukraine got under way at Dnepropetrovsk almost immediately after the expulsion of the Germans. Belorussia also is building an automobile factory, as well as restoring all industrial enterprises which operated on its territory before the Nazi invasion.

One of the main tasks set under the new Five Year Plan is that the gross volume of output of all industries in the U.S.S.R. in 1950 shall exceed that of 1940 by 48 percent. Output is to be increased in every branch of industry. While the western regions were being devastated in the war, the eastern regions, on the other hand, were developing rapidly. Despite tremendous difficulties, their industrial output rose steadily. In the first six months of 1945, indeed, the total industrial output in the Soviet east was twice as large as that achieved during the same period in 1941. During the four years of war, industrial production in the Urals increased 3.6 times, in Siberia 2.8 times and in the Volga areas 3.4 times. This means that in the postwar period the U.S.S.R. is engaged not only in restoring but also in further developing its national economy.

The production figures for coal, oil and pig iron in the U.S.S.R.

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in 1940 were 166,000,000 tons, 31,000,000 tons and 15,000,000 tons respectively. The 1950 output level is to be 250,000,000 tons, 35,400,000 tons and 19,500,000 tons respectively. The production of machinery will be doubled. The new Five Year Plan calls for increasing the number of metal-working machines to 1,300,000. This will exceed by 30 percent the total in use in the United States in 1940. The machine industry continues to be the leading branch of the national economy of the U.S.S.R. and the basis of its technical and economic independence.

The steady rise in all branches of Soviet industry is ensured by planned economy. With a planned economy there is no need to be afraid of postwar unemployment crises or depressions.

Many new industrial enterprises will spring up in the Soviet Union in the coming five years. All in all, 5,900 large enterprises of ferrous and non-ferrous metallurgy, machine, chemical and light industries will be restored or built anew in 1946–1950. As an example of the scope of the new construction to be executed, let us take hydroelectric stations. Large stations are now being built on the Irtish River, in Siberia; on the Syr Darya River, in Uzbekistan; on the Kura River, in Azerbaijan; and on Lake Sevan, in Armenia. Big power stations are to be built in the next few years on the Kama River, in the northern Urals; on the Volga River, near Gorki; and on the Oka River, near Kaluga. A large number of small hydroelectric stations are also under construction at collective farms and in small towns.

In addition to the automobile factories now being built in the Ukraine and Belorussia, new automobile plants are under construction at Novosibirsk, in Siberia; at Kutaisi, in Georgia; at Ulyanovsk, on the middle Volga; and in Moscow. The latter will produce low-powered cars. The new plan calls for the number of automobiles in the Soviet Union to be double that in the prewar period.

According to the plan, the total farm produce of the U.S.S.R. as a whole will be increased by the end of the Five Year period 27 percent above the 1940 figure. This means that a tremendous work is to be carried out in expanding the sowing area, in boosting crop yields, in increasing herds of livestock, etc.

The Five Year Plan calls for creating an abundance of the main lines of consumer goods and improving the living conditions of the population. Wages are steadily increasing while the prices of goods are falling. Ration cards for bread and cereals are to be

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abolished in the autumn of this year and for all other products in 1947.

The great tasks of the new Five Year Plan cannot be solved apart from rapid technical and scientific progress. Everything possible is being done in the U.S.S.R. to foster the development of science. In his speech of February 9, Stalin said: "I have no doubt that if we give our scientists proper assistance they will be able in the near future not only to overtake but to surpass the achievements of science beyond the boundaries of our country."

Such, in brief, are the main features of the Soviet Plan for 1946–1950. The figures it sets are amazing, and one is still more struck by the confidence with which the time limit for fulfilling them has been fixed. In order to understand this, one must bear in mind the fact that planning of this sort has become a common feature in Soviet economy. In the U.S.S.R., state plans have the force of economic laws of development. The figures set for 1950 are not presuppositions or wishes. The new Five Year Plan has been approved by the Supreme Soviet of the U.S.S.R. and has become law.

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CANADA LOOKS "DOWN NORTH"

By L. B. Pearson

CANADA is one of the few countries with an unexplored frontier, luring the pathfinder into the unknown. This frontier, with its inevitable effect on the life and habits of the Canadian people, is, however, no longer the West. "Go North" has replaced "Go West" as the call to adventure. Robert Service once called the Canadian North the "land where the mountains are nameless and the rivers run God knows where." By now most of the mountains have been christened (one was even re-christened a short time ago as Mt. Eisenhower) and it is known where most of the rivers run. But there is a great deal yet to be learned, and a far greater incentive to learn it now than ever before.

Not long ago this vast Canadian Arctic territory was considered to be little more than a frozen northern desert, without any great economic value or any political or strategic importance. Many thought it might as well be left to the trappers of the fur companies or those wandering stoics of the North, the Esquimaux, who have shown us how easy it is to live and be happy on a nicely balanced diet of blubber and caribou meat. We know better now. Canada, like Russia, is looking to the North as a land of the future.

The reason is obvious. The war and the aeroplane have driven home to Canadians the importance of their Northland, in strategy, in resources and in communications. We should no longer be deceived by the flat maps and "frigid wasteland" tales of our public school geographies. The earth remains round, and the shortest routes between many important spots on it lie across the Arctic ice and over the North Pole. The shortest air line from New York to Tokyo crosses Hudson Bay; that from San Francisco to Berlin, or from New York to Chungking, goes over or near the Pole. These routes are as practicable and as safe as those in many settled temperate areas. The flying weather is normally fine; and air navigation will become easier as weather stations are established. The North West Passage of legend and history will soon be a normal flight.

A large part of the world's total Arctic area is Canadian. One should know exactly what this part comprises. It includes not only Canada's northern mainland, but the islands and the frozen

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sea north of the mainland between the meridians of its east and west boundaries, extended to the North Pole. The 1944 Arctic Manual of the United States War Department in its description of the Canadian North follows the usual practice of dividing the territory between the Western and Eastern Arctic. It defines the former as the Arctic mainland coast from Demarcation Point to Boothia Peninsula and the islands to the north. The Eastern Canadian Arctic is defined as the mainland coast from Boothia Peninsula to Labrador and the islands to the north. Canada is responsible for the administration, the security and development of this territory and its inhabitants. We realize now — more than we did before the war — the responsibilities and the opportunities that attach to our ownership of this vast area.

Even before the war Canada took her Arctic responsibilities seriously. The well-known Canadian ship *Nascopie* made its annual voyages, with Canadian officials, scientists and explorers. The Royal Canadian Mounted Police have ranged far and wide. Their motor schooner, the *St. Roch*, is the only vessel ever to have travelled the northern route between Atlantic and Pacific Oceans in both directions, or to have made the whole North West Passage in one season. The "Mounties" have made many land expeditions for exploration and survey, some of which, though merely part of the day's work as far as the men who undertook them were concerned, were epic in their adventure and achievement. One of these northern land patrols a few years ago covered 1,093 miles by sleigh and dog-team in 53 days. One lone constable in 1944 made a journey of 3,500 miles by dog-team.

Government posts have been established hundreds of miles beyond the Arctic Circle where the Mounties, in addition to being counsellors, friends and medical advisers to the Esquimaux, represent about a dozen different kinds of officialdom. They are called on to assume customs and immigration duties, to collect income taxes, to accept applications for naturalization, to act as postmasters, mining recorders or coroners, to pay bounties for shooting wolves, to register vital statistics, to issue rations to destitute Esquimaux and Indians. These official duties, now performed at 22 Arctic posts (one of which is less than 750 miles from the North Pole), may, in some of the more northerly ones, be more or less nominal, but they have official and international significance. When a stratosphere liner of the future lands somewhere south of the Pole in its voyage from Europe to Asia, its passengers

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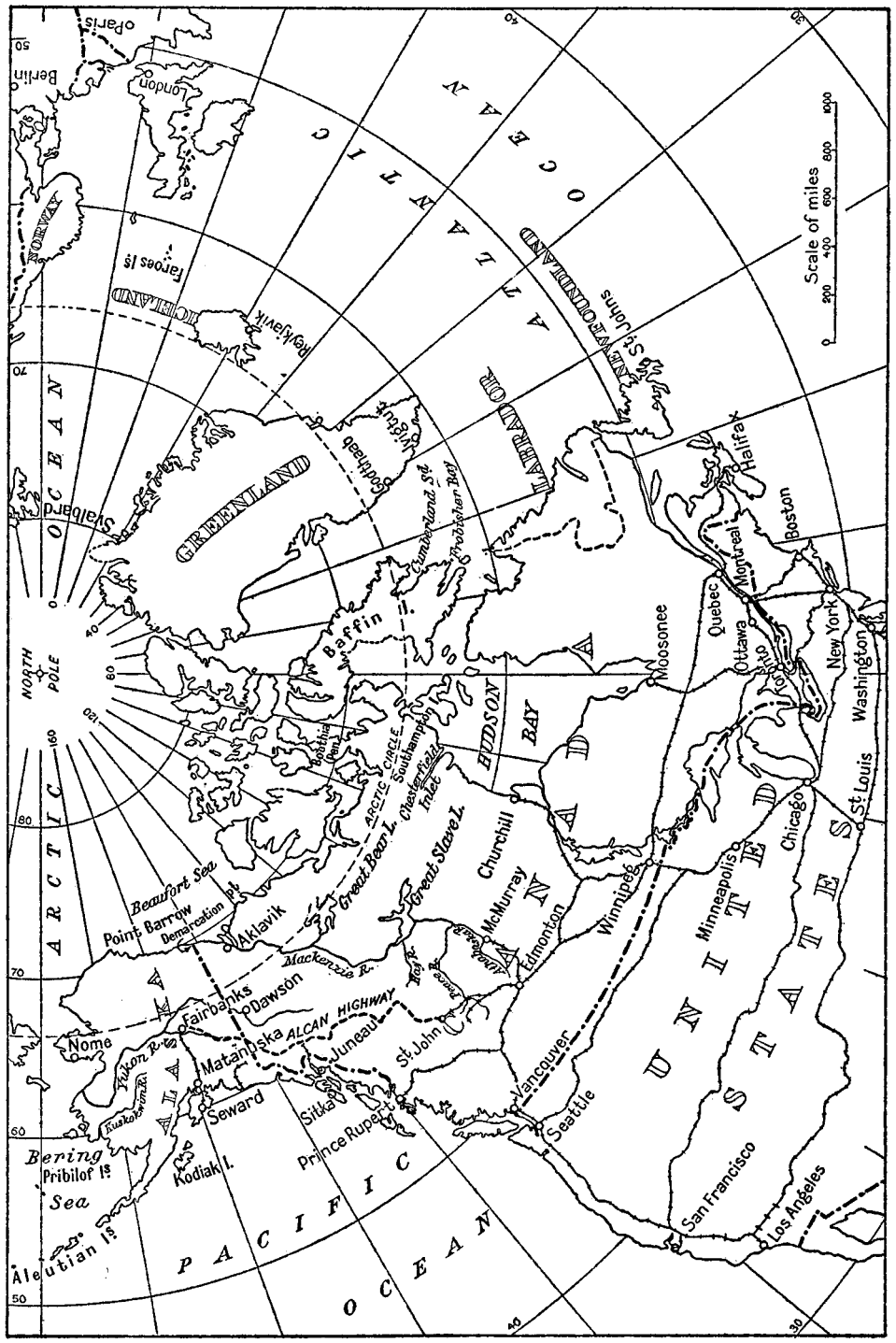

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will find a Canadian flag, a Canadian Government station, and probably a notice stuck somewhere warning the passengers that under Order-in-Council 7496, Section 3, Sub-Section 12, they will be liable to fine or imprisonment or both if they do not extinguish their camp fires!

The Canadian Government, while ready to coöperate to the fullest extent with the United States and other countries in the development of the whole Arctic, accepts responsibility for its own sector. There is no reason for sharing that responsibility except as part of any regional or general international arrangement for coöperation and control which may be worked out within the framework of the charter of the United Nations. During the war the United States Government asked permission of Ottawa to establish certain weather and emergency installations in upper Frobisher Bay and Cumberland Sound on Baffin Island, as well as air bases at Coral Harbor on Southampton Island and Cape Dyer on Baffin Island. This permission was, of course, granted, but as a war measure on a temporary basis, subject to the right of Canada to replace the stations, and to the stipulation that all permanent facilities with respect to the air bases, having been paid for in full, should become the property of Canada after the war.

The war — as wars do — has forced the development of the North. During the last six years great advances have been made and an increasing interest shown in those areas in both Canada and the United States. After Pearl Harbor, the two Governments undertook a series of far-reaching defense measures in the Canadian Arctic. Most of them are by now well known and have a postwar significance. They have resulted in the Canadian North emerging from the war equipped with communications which, had they not been pushed through as joint defense projects, might have taken decades to complete. The most impressive, because of the vastness of the territory which they serve, are the air routes. Fan-wise, they reach out from the more settled parts of Canada toward the polar regions — from Edmonton through the Yukon to Alaska by way of the northwest staging route; down the Mackenzie River to Aklavik on the Beaufort Sea; northeast from Winnipeg across Hudson Bay toward Greenland and Iceland; up through Labrador and northern Quebec to the same destinations.

There is also the Alaska (Alcan) Highway, now known as the Northwest Highway System, linking the Canadian airfields on the

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northwest staging route and running for 1,500 miles through country hitherto known only to the bush flyer and the traveller by canoe and dog-team. This highway is expected to prove an incentive to the exploration and exploitation of a large surrounding territory. Much mineral wealth is believed to lie there, and certain districts have important agricultural possibilities. The tourist, however, would be wise to wait a while before he plans that holiday motor trip to Alaska. The original agreement between Canada and the United States provided that the United States should continue supervision and maintenance of this highway for six months after the end of the war. This period has now come to an end and Canada has assumed full control of the Canadian section of the highway.

Finally, to complete communications with Alaska, there is a fully equipped telephone, teletype and telegraph system which parallels the highway and the air route.

It is not possible to predict with any assurance the specific effect that these new communications will have on the Canadian North over the next ten or twenty years. However, even if we discount some of the more extravagant predictions, the effect certainly will be far-reaching. A tremendous impetus has been given to exploration and development. Bases for research have been laid. Man's knowledge of weather and soil and living conditions in the Canadian Arctic has been significantly increased. A whole new region has been brought out of the blurred and shadowy realm of northern folklore and shown to be an important and accessible part of our modern world.

In all these wartime projects there has been a remarkable spirit of coöperation between Canada and the United States. There has been a wholehearted and complete sharing of resources and rights. The staging route, for instance, was constructed by Canada, while most of the expense of the highway was met by the United States. Much of this coöperation has been effectively directed by the Canada-United States Permanent Joint Board on Defense in which the representatives of the two Governments have worked with the informality, intimacy and mutual understanding characteristic of the relations between the two countries.

This wartime coöperation will continue now that the war is over. Nor will it be complicated by any misunderstandings or doubts as to what rights, if any, are given by the ownership to installations and facilities constructed during the war in Canada

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by the American Services. Apart from the Alaska Highway, for which special arrangements were made, Canada has arranged to repay the United States for all such war projects which represented construction having any permanent value. The sum of $75,000,000 for certain specified defense installations has already been paid. As for the rest, appraisers representing each Government will set a fair value and Canada will pay that amount. This is a wise solution for what might have become a vexing problem. There is no question now as to ownership and control of bases and such things, which might give rise to misunderstandings between the two countries. On the contrary, there is a clear understanding by the United States that Canada has complete ownership of and responsibility for everything within her borders, while ready and anxious to coöperate with the United States to the fullest possible extent in everything that pertains to the development and security of the Arctic regions.

The official coöperation between the two countries in the Arctic has recently been supplemented and reinforced by the formation of a private body, the Arctic Institute of North America, with a Board of Governors consisting of eminent citizens of both countries. The Institute, whose general purpose is to act as a coördinating center in North America for scientific research pertaining to the Arctic and Sub Arctic regions, has already drawn up a comprehensive program of desirable scientific investigations in this field. Such a program and such an institute should act both as a spur and a guide to the two Governments.

Canada has no desire, however, to coöperate exclusively with the United States in Arctic questions. It is in Canada's interest, and in the general interest, that each northern nation should coöperate with every other in all Arctic problems. Though much has been accomplished, a great deal remains to be done. It will take much longer and will not be done so well if nations work separately. If the fullest use is to be made of the resources of the northern regions, there should be a pooling of scientific data and a coördination of research and experimentation. All the polar nations can learn from each other and thereby advance the knowledge and resources of mankind. For this reason Canada desires to work not only with the United States, but with all the Arctic countries — Denmark (for Greenland), Norway and the Soviet Union — in exploiting to the full the peaceful possibilities of the Northern Hemisphere. Particularly is this true of the

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U.S.S.R., which is well ahead of the rest of the world in the development of its polar areas and which, Canadians are beginning to realize, is their neighbor across the North Pole.

Here, as elsewhere, however, coöperation is a two-way street and requires give as well as take by all the countries concerned. A policy of exclusive and isolated Arctic development by any one country in an area which, in this age of atom bombs and jet-propelled planes, is of such strategic importance will create suspicion in the minds of all the others. There is already an increasing, and in some of its manifestations, an unhealthy preoccupation with the strategic aspects of the North; the staking of claims, the establishment of bases, the calculation of risks, and all the rest. For no country have these faint stirrings of unhallowed but all-too-familiar fears a greater or more sinister significance than for Canada. Our country, we are inclined to boast, lies athwart the airways of the future across the top of the world. That is true, but it should give us cause to worry about how those airways are used, because they join the two greatest agglomerations of power in our world, the U.S.S.R. and the U.S.A.

There is another boast in Canada — our undefended border with our southern neighbor. We want to be able to have an undefended border "down North," too. This, however, depends, in the last analysis, less on coöperation between the northern countries on Arctic matters, important and desirable as that is, than on coöperation generally between the Great Powers in the United Nations. Fear and suspicion engendered, say, in Iran, can easily spread to Great Bear Lake above the Arctic Circle in Canada and bedevil economic developments there. There is now no refuge in remoteness. So far as Canada is concerned, she does not relish the necessity of digging, or having dug for her, any Maginot Line in her Arctic ice. Peaceful development in coöperation with all the northern nations is Canada's sole desire. In that development the Canadian accent is on resources and research, not on strategy and politics. It would be tragic if fears and suspicions made us alter that accent against our will.

A graphic illustration of Canada's increasing interest in her north country has recently been given in what is known as "Exercise Musk Ox." The Canadian party conducting this exercise traversed 3,100 miles of desolate north country in 80 days by snowmobiles, and was supplied from the air. It is hoped that much information of value to Canada and to other countries has

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been obtained on air navigation in polar regions; on air supply techniques; on the best types of air equipment, and their maintenance under Arctic conditions; on living and working in the open under such conditions. Canadian Government civilian officials, research workers and scientific personnel were with "Musk Ox," and representatives of the North American Arctic Institute coöperated.

Whatever may be said of this enterprise by the sensation seekers, it was undertaken by the Canadian Government primarily to learn lessons about the Arctic that could be applied to the general civil development of those regions. It is a further step in their peaceful economic progress. Behind "Exercise Musk Ox" and other similar ones is the desire to uncover and utilize the resources, especially the mineral resources, of these lands, by discovering how men can best live and work up there. We know now that there is great wealth in the Land of the Midnight Sun, and that there are ways of making that wealth available. That, again, is primarily due to the conquest of the air.

There was little use discovering gold or oil or radium in the Canadian Arctic thirty years ago. You could not get the mining machinery in or the ore product out. Aviation has changed all that. Whole mining plants are flown in and the refined ore is flown out. The northern skies are humming with activity; smoke is coming from northern chimneys; adventurous settlers are moving in. In the year before the war, 1938, Canadian aircraft carried more than 26,000,000 pounds of freight by air. This figure is microscopic by wartime standards, but it was then twice as great as that of any other country. A good proportion was heavy mining equipment. With the forced development of war and the possible profits of peace, the search for new wealth now goes on vigorously.

It is known that there is gold. One mine at Yellowknife, by Great Slave Lake, many hundreds of miles from the end of steel, has produced $13,000,000 of ore since 1938, though operations had to be slowed down during the war. There are also lead, copper, tungsten, and oil fields which may prove to be among the greatest in the world.

Above all, there are great deposits of radium and uranium ores, the rights to all of which, discovered and to be discovered, have been reserved to the Canadian Government. Some of the uranium that has been used, and much more that will be used, in the development of atomic energy comes from a Canadian mine well

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within the Arctic Circle, 1,500 miles beyond the railway end. The discovery and construction of this mine, Eldorado, reads like fiction.

About 45 years ago two young Canadian geologists and explorers noticed on the shores of Great Bear Lake traces of pitchblende, the source of radium and uranium. This did not at the time arouse their particular interest, however, because there was no way of getting at it. But they made a report on it to their Department in Ottawa, as is the habit of officials. Two or three decades later a prospector and mining engineer found and studied that report in the Department of Mines' library in Ottawa. He grasped its importance and headed north with a companion for Great Bear Lake. The companion was stricken with snow blindness. While he lay with bandages over his eyes, his friend made short daily trips from the tent to look for the mineral wealth which he knew existed somewhere on the shores of that remote lake. On one of these trips he found a heavy strange black-covered rock stained with orange, red and yellow. He knew it was the precious pitchblende. When his companion recovered, they brought some of this rock back to civilization. It was pitchblende with a radium content four or five times as high as that ever discovered before, and with a high content of silver and copper as well. Capital was secured; an expedition was fitted out; supplies and a complete mining equipment were flown in; a smelter was established where the ore could be reduced to radium concentrates; river steamers were built to bring those concentrates out of the north by water in the summer (this was done by air in winter). When they reached railhead, 1,500 miles away, they were taken by train another 4,000 miles or so where they could be refined into radium and uranium. A few years after the first discovery of this mine, it had produced enough radium to break the world monopoly price from $75,000 to $25,000 a gram. Recently this development became of vital importance for the destructive purposes of war. It can also, if man retains any vestige of sanity, be of vital importance for the healing purposes of peace.

The snowy wastes of the Canadian North have many more mineral secrets of that kind to yield. These secrets are being yielded. Development is proceeding. Population is increasing. Progress will continue, for life in those zones is far from unbearable. Indeed the northerner will tell you that the Arctic is a grand health resort. Certainly the weather in the Mackenzie Valley is

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much less severe than corresponding parts of North Siberia where there are already thriving communities. It has also been said with authority that the climate of the Canadian North West in the circumstances of today is less of a handicap to settlement than was that of the Red River Valley in the last decade of the nineteenth century.

The Canadian Arctic is, however, no country for weaklings and its economic development will test the finest qualities of the men of the North. Though the northern frontiersmen today are as sturdy and tough as those of earlier times, their habits are, shall we say, less picturesquely rough and crude. A few years ago a visitor at Fort Norman was interested to see a freight aeroplane land and discharge several cases. They were not, however, cases of rum or six shooters or ammunition. They were cases of lettuce! He reported that the sturdy miners and trappers who had been hanging about followed the lettuce in great excitement to the local supply post, and when the cases were opened, they indulged in a regular debauch. In spite of this trend toward lettuce salads, there is no doubt that the settlers now in the Canadian Arctic and those who will follow them "down North" will provide a solid and sturdy foundation for the growth and development of that increasingly important part of Canada.

It is for the Great Powers to decide, by their policies and their plans, whether that development can be conducted in an atmosphere of friendly coöperation between all the Arctic nations, and with a resultant benefit to all, or whether the Northern Hemisphere is to become an area of national rivalries, fears and ambitions. Canada will certainly do its best to ensure the former, for to no country would the consequences of the alternative be more disastrous. In 1946 there is no isolation — even in the Arctic ice.

Canada, however, is conscious of the limitations on her own ability to translate these peaceful desires into realities. Here, as elsewhere, the hope for the future lies in the ability of the Great Powers, and of all other powers, to work together within the United Nations.

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THE OUTER MONGOLIAN HORIZON

By Owen Lattimore

ONE of the most significant results of the war is the enhanced importance of the chain of frontiers running across Asia from Korea to Turkey. Everything on the northerly side of this frontier falls under the sovereignty of the U.S.S.R. In one sense, this is a single sovereignty, centered in Moscow. In another sense, it is a joint sovereignty in which a number of republics and important non-Russian peoples hold an interest. Because of this double aspect of Soviet sovereignty, the inner Asian frontier is important not only because it is the longest in the world, but because the Soviet Republics grouped along it are preponderantly Asiatic.

The lands on the southerly side of this frontier fall under a number of sovereignties. The roll call from east to west is: Korea; China (the northeastern or Manchurian provinces); Outer Mongolia; China (the vast Central Asian province of Sinkiang, with a Chinese population minority of 5 to 10 percent, and an overwhelming majority which includes a number of non-Chinese peoples); Afghanistan; Iran; Turkey.

The names of these countries are enough to call attention to the fact that this inner Asian frontier resembles the frontiers of eastern Europe and the Balkans in having two contradictory functions. On the one hand it divides different sovereignties and political, social and economic systems from each other. On the other hand, it sometimes divides similar peoples, cultures, languages and religions from each other. There are small but significant Korean minorities in both the U.S.S.R. and China's northeastern provinces. There are Chinese communities in the Soviet Far East. There are Mongols in the U.S.S.R. and also in the Inner Mongolian territories which have been administratively absorbed into the northeastern, northern and northwestern Chinese provinces, as well as in independent Outer Mongolia. All of the non-Chinese peoples of Sinkiang have closer affinities with peoples and cultures across the Outer Mongolian and Soviet frontiers than with the Chinese people and their culture. Similar but perhaps not so strongly marked situations exist in Afghanistan, Iran and Turkey.

Our familiar use of the terms "Russia" and "China" tends to

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disguise from our political perception the fact that the frontier between the two countries is anything but a clean-cut boundary between Russians and Chinese. Except in the northeastern provinces (Manchuria), most of the frontier is masked by peoples who are neither Russian nor Chinese. Even in the northeastern provinces the small but politically potent Korean and Mongol minorities are generally grouped in territorial enclaves lying away from China and toward Korea, Siberia and Outer Mongolia.

On this unique frontier Outer Mongolia stands in a commanding position. Its independence and sovereignty have now been recognized by China, after an agreement with the U.S.S.R. in August 1945, confirmed a few months later by a plebiscite in Outer Mongolia conducted in the presence of official Chinese observers. The emergence into the world community of such a state, standing on a frontier of such importance in the world distribution of power, is of exceptional relevancy in the revisions and redefinitions of American foreign policy which are now going on.

II

Unfortunately, there is no people and no state which we as a nation are less well equipped to assess and understand. Any honest treatment of the subject should begin with the admission that only a handful of Americans have even the basic knowledge of languages and of the cultural and political background which are necessary for a study of the Mongols and their institutions. And even of this handful, there is not one who can pretend to have more than a fragmentary knowledge of the statistical facts and of recent developments and trends.

An approach to the study of the problem can be made, however, by noting the connections between Mongol and Chinese revolutionary history. It should be said at the outset that for reasons of space this article does not attempt to deal with Inner Mongolia and Tannu-Tuva, though their relationship to the study of Outer Mongolia should be noted. Inner Mongolia has been administratively absorbed into various Chinese provinces, but a strong nationalist movement survives. One wing of this movement may be expected to press for local autonomy under Chinese sovereignty, another wing for separation from China and union with Outer Mongolia. Tannu-Tuva, under the Manchu Dynasty, was a special administrative enclave of Outer Mon-

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golia. It then became a "People's Republic" like Outer Mongolia, and has now been absorbed into the U.S.S.R. This annexation may be regarded as a sequel to the Chinese recognition of Outer Mongolian independence. As long as China claimed sovereignty over Outer Mongolia, the Chinese view was that Tannu-Tuva (Urianghai) was a part of Outer Mongolia, and Russian annexation would have been seriously disturbing to Russo-Chinese relations. Since Outer Mongolia itself does not claim sovereignty over Tannu-Tuva, and since its people are at a level of development lower than that of the Mongols and similar to that of several "fragmentary" peoples under Soviet jurisdiction, its existence as a fully sovereign state was highly artificial. The Russian move can obviously be criticized as poor "public relations," in view of the readiness abroad to criticize the Soviet Union as an all-engulfing menace, but has in its favor advantages of administrative and economic efficiency which are equally obvious.

Comparison reveals important parallels and also important divergences between the rise of modern China and Outer Mongolia. Both countries date their history as Republics from rebellions against the Manchu Dynasty in 1911. The Mongols date their Republic from 1911, when the risings began, and thus have a shadowy seniority over the Chinese who, in accordance with Chinese custom, date their Republic from 1912, the first full year of the new dispensation. In the decade from 1912 to 1921 China relapsed into the period of warlordism, and national disunity was aggravated by the intrigues of foreign interests. Outer Mongolia began by being drawn into the orbit of Tsarist Russia. Very soon, however, the Russian position in Asia was weakened by heavy commitments in Europe in the war against Germany and Austria, and the threat of Japanese expansion began to grow.

Secret conventions between Russia and Japan made in the years from 1907 (soon after Russia's defeat by Japan) to 1916, when Russia was preoccupied with war in Europe, had allocated to the Japanese sphere of interest the Inner Mongolian territories east of the meridian of Peking (Peiping), which accounts for the Japanese-sponsored term "Eastern Inner Mongolia." Japanese penetration was next extended to Outer Mongolia through the Anfu clique, a corrupt group of Chinese politicians and militarists manipulated not only by the Japanese militarists but also by the supposedly non-militarist Zaibatsu or great industrial and

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financial houses. "Little" Hsü, the Chinese General who attempted a reconquest of Outer Mongolia in 1919, was an Anfu leader.

In 1920, civil war in China dislodged the Anfu clique from power. The "Mad Baron" Ungern-Sternberg and Ataman Semenov, two exceptionally savage anti-Soviet leaders in the Russian Civil War, then became the instruments of Japanese policy in Outer Mongolia. In the early 1920s, however, Japanese prestige and influence receded everywhere. The failure to occupy eastern Siberia permanently was a blow to the ascendancy of militarism in Japan itself, and the Washington Conference of 1921 resulted in a lull in Japanese expansionism. Concurrently, the Soviet Union, having survived civil war and foreign intervention, enjoyed a period of prestige not only in Mongolia and China but throughout Asia. In this interval the relations of both Outer Mongolia and China with the Soviet Union were closely parallel to each other.

In 1921 an agreement was signed between the Soviet Union and the temporary Revolutionary Mongol Government (which did not yet call itself the Mongolian People's Republic), the most important clause of which was the mutual undertaking "not to allow on their territory the formation of groups, or the recruiting of troops, hostile to one of the contracting parties, as also not to allow the transportation of arms and the transit of troops, hostile to one of the contracting parties." In 1923 the Soviet Envoy, A. A. Joffe, issued a joint statement with Dr. Sun Yat-sen whose party, the Kuomintang, had still a long way to go before winning power in China and international recognition. There were two key clauses in this statement, Number One and Number Four. Under Number One, Mr. Joffe "entirely shared" the view of Dr. Sun that "the Communistic order or even the Soviet system cannot actually be introduced into China, because there do not exist here the conditions for the successful establishment of either Communism or Sovietism." Under Number Four, "Mr. Joffe has categorically declared to Dr. Sun . . . that it is not and never has been the intention or purpose of the present Russian Government to pursue an imperialistic policy in Outer Mongolia or to cause it to secede from China."

The parallelism of this period extends both to institutions and persons. The Sun-Joffe statement led to the formation of a United Front between the Kuomintang or Nationalist Party and the

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Chinese Communist Party. The Government of Outer Mongolia at that time was also, in effect, a United Front. It included on the Left the small Revolutionary Party led by Sukhe Bator and on the Right representatives of the powerful clerical and aristocratic interests. As for personalities, little need be said here about Sun Yat-sen, whose career is well known, except to emphasize that in his person he represented a fusion of pure Chinese nationalism and anti-imperialism with western political thought. The parallels between his life and that of Sukhe Bator are significant.[1]

Sukhe Bator, like Sun Yat-sen, was born of a poor family. Sun Yat-sen, born in 1866, came under American influence as a boy in Hawaii, and under further western influence as a medical student in Hong Kong. Sukhe Bator, born in 1893, learned to speak Russian as a child, playing with Russian children in the Russian quarter of Ulan Bator (then known to the Russians as Urga, to the Mongols as Da Khuriye, and to the Chinese as Ta K'ulun). In 1912, at the age of 19, he was conscripted into the Mongol army. He soon showed his aptitude for military life and was detailed to a machine-gun unit under Russian instructors. During his military service he came into contact with one of the early revolutionary military leaders, Maksorjab.

The Russian Revolution of 1917 "resounded on the plains of the Mongol homeland like a clap of thunder," as Sukhe Bator's biographer says, and brought about a crisis in Mongol politics and in Mongol relations with China. Since it opened the way for "Little" Hsü's attempt to reconquer Outer Mongolia for China, Mongols were forced to choose sides. Conservatives of the Lama Buddhist Church and among the hereditary aristocrats "suspected the October Revolution like the plague," and were in favor of coming to terms with China. Sukhe Bator, as early as 1918, began to organize a secret independence movement. There were two groups in this movement. One, influenced by upper-class officers, was in favor of resisting Chinese control but not in favor of changing the order of things in Outer Mongolia. Sukhe Bator's own group believed that this was not enough: "all the yellow (clerical) and black (lay) feudal aristocrats must be cast from off the backs of the common people."

[1] The conventional Mongol spelling of Sukhe Bator is Sukhebagator (written as one word). The meaning of the name is "Axe Hero"; although this sounds like a "party name," it appears to be his given name. Mongols are customarily known only by the given name; the family or clan name is not used. Some Mongols in Outer Mongolia now use an initial before the given name. The details of Sukhe Bator's life here related are taken from "Sukhebagator-un Namdar" ("Biography of Sukhe Bator"), by Sh. Nachok Dorji, Ulan Bator, 1943.

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There was at this time a great complexity of political groups in Outer Mongolia (and in Inner Mongolia as well). To some extent they overlapped and worked in alliance, but there were also conflicts between them which sometimes smoldered and at other times broke into devouring flame. All groups, including the Rightists, were "revolutionary," simply because the position of all Mongols was desperate and the old order increasingly unbearable; but conflicts broke out over the degree to which the old order should be changed, and the methods of effecting change.

Sukhe Bator's own revolutionary movement appears to have been purely Mongol in inspiration, but in 1920 he came into contact with Choibalsang, the present Premier of the Mongolian People's Republic, who had also organized a secret revolutionary party. Choibalsang was in touch with two Russian Communists in the Russian community in Urga. It is a fair inference, though there is no explicit statement in the record, that Choibalsang had already begun to draw on Marxist theory as a guide to action, while Sukhe Bator had not; and to this extent the merging of the two groups as one revolutionary party may be taken as a parallel to Sun Yat-sen's step in admitting the Chinese Communists to membership in the Kuomintang in 1923.

Later in 1920 Sukhe Bator, Choibalsang and others went on a mission to Siberia to ask for the aid of the Russian revolutionaries against both the Chinese forces and the White forces of Ungern-Sternberg in Outer Mongolia. The "legitimacy" of this mission is stressed in the Mongol account, inasmuch as the mission was authenticated by a document bearing the seal of the Living Buddha of Urga, who represented the conservatives and the "autonomous" Outer Mongolian Government deriving from the Revolution of 1911. The appeal to the Russians was thus officially not an appeal on behalf of one party only, but on behalf of all Outer Mongolia. Much negotiation had been needed in Urga to get this document, and it was granted only because the Mongols required help wherever they could find it. Appeals were also sent, on the initiative of the conservatives, to America and Japan.[2]

The confused record of this period may be abridged by reciting the well-known facts that Russian aid was granted, that Ungern-Sternberg first dispersed the forces of the Chinese and then, making a raid against Siberia, was taken and shot by the Rus-

[2] *Op. cit.*, p. 48–49. The appeal to the United States, of which I have often been told by Mongols, must be in the archives of the Department of State.

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sians, and that a joint force of the Red Army and the Mongol Partisans of Sukhe Bator and Choibalsang entered Urga (as Ulan Bator was then still called), in July 1921.

Sukhe Bator then made an important decision, which indicates that his method of political operation, like that of Sun Yat-sen, was to work through the widest coalition that could be grouped together at any given time. Instead of setting up a left-wing republic, which would undoubtedly have provoked civil war, he confirmed the *Jebtsundamba Hutukhtu* or Urga Living Buddha as a kind of limited monarch, of clerical character, presiding over a state that was neither a monarchy nor a republic nor a clerical state.

There nevertheless remained a bitter internal struggle between right and left wings, the ferocity of which is indicated by the accusation that Sukhe Bator, who suffered from tuberculosis, was poisoned by a lama "doctor" sent by the Living Buddha. The struggle took the form of rivalry for control of the armed forces and various departments of the Government. There were a number of instances of armed violence, and there were purges and executions. At least once the Government, in a misguided attempt at collectivization — indicating that the new state had to contend not only with those on the Right, but with those who stood to the left of the Left — tried to go too far too fast, and had to retreat to the recognition and encouragement of private property. Yet there was no general civil war, and the fact that there was not indicates that Sukhe Bator, and his successor Choibalsang, held successfully to the principle of winning wider and wider popular support, and avoided the attempt to impose obedience purely by armed force.

Sukhe Bator died in 1923. His party successor was Choibalsang. The Living Buddha died in 1924. No successor was allowed to be proclaimed; instead, Outer Mongolia became the Mongolian People's Republic, and its first Constitution was published at the end of that year.

Sun Yat-sen died in 1925. His party successor was Chiang Kai-shek, who in 1923 had visited Russia. In 1926 Chiang Kai-shek led the northern expedition which resulted in the unification of the greater part of China, the establishment of the National Government, and its recognition by the Treaty Powers. In 1927 the Chinese Communists were expelled from the Kuomintang and there began a civil war, for the purpose of extirpating the Communists, which was to last for a decade.

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III

In this constellation of dates the parallels between the revolutionary history of China and of Outer Mongolia end, and a wide divergence begins. Choibalsang in Outer Mongolia and Chiang Kai-shek in China occupy analogous positions; but Choibalsang was the left-wing successor to a party founder who had stood (by inference rather than by evidence) somewhat farther to the right, while Chiang Kai-shek was the right-wing successor to a party founder who had stood decidedly farther to the left.

There were still interesting contacts between Outer Mongolia and China, however. An Outer Mongolian delegate or delegates attended a Kuomintang Party Congress at Canton, in 1924, while Sun Yat-sen was still alive. (An anonymous and undated pamphlet, published at Tientsin in 1924 or 1925, entitled "Mongolia: Yesterday and Today," is most interesting in this connection. It contains long but not full transcripts from the proceedings of the Third Congress of the Mongolian People's Party, August 4–31, 1924. The interjected comments of the anonymous author are violently hostile, stigmatizing the People's Party, for instance, as "a handful of men devoid of any ideals" and "an obedient weapon in the hands of the Bolsheviks." The excerpts from the transcript itself are quite obviously not selected for the purpose of doing any credit to the revolutionary Mongols. They also reveal violence, such as the impeachment and summary execution of the official who presided over the opening meetings. They are also notable, however, for the naïve picture they present of ignorance, maladministration and everything else that might be expected — but also earnestness, a desire to be modern and progressive, and a desire to learn the things that honest, democratic, progressive, modern people ought to know, and a blunt Mongol conviction that no man, dishonest or merely incapable, must be allowed to stand in the way of such progress.) It is also worth noting, as an indication of intellectual contacts between China and Outer Mongolia, that the Mongol name which we translate as "Mongolian People's Republic" is *Bughut Nairamdakho Monggol Arat Ulus*, in which *bughut nairamdakho*, "by the consent (or harmony) of all," the term for "republic," is an exact equivalent for the Chinese term *kung ho*, but not an exact equivalent for the Latin root of either the word "republic" or the word "federation."

While the attitude of the Mongols toward the Kuomintang

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under Sun Yat-sen was friendly, their attitude toward Chinese claims of sovereignty over Outer Mongolia has always been uncompromising. Thus in 1925 (before the establishment of the present National Government), the Bureau of Mongolian and Tibetan Affairs, of the Peking Government, an office of "colonial" character, made several attempts to put on the record a reassertion of Chinese authority *de jure*. To one communication the Mongols replied by lecturing the Chinese:

> It seems that the Chinese Government still observes the traditional principles of its intention to get rid of the former Mongolian self-government by military force. . . . The only thing this Government hopes for is an early cessation of civil wars, and an early shaking-off by the Chinese Government of the yoke of aggressive Powers . . . [if the Chinese will treat the Mongols on a footing of equality] this Government will name plenipotentiary representatives to the Central Government to discuss plans for perpetual peace and safety between Chinese and Mongols.

From this general period we have also some valuable notes by a Chinese traveller, an agent of Feng Yü-hsiang, then still known as the "Christian general." This agent spent some time in Outer Mongolia when going to Russia to negotiate for the purchase of arms by Feng Yü-hsiang. It is clear from his account that the Mongols in 1926 did not regard themselves as "backward" in comparison with the Chinese. On the contrary, they considered that they had been more successfully progressive than the Chinese had yet managed to be. This traveller was impressed by the vigor of the campaign against Lama-Buddhist superstition and by the educational program. He thought that the numerous Russian advisers, though nominally not holding executive power, did in fact exercise initiative. Finally, his account reveals the presence in Outer Mongolia of Mongols from Inner Mongolia, who, though often educated in China, evidently had found Chinese jurisdiction less attractive than a career in independent Outer Mongolia.[3]

After the Kuomintang broke its United Front with the Chinese Communists and turned sharply to the Right, even these tenuous relations with Outer Mongolia no longer continued. Little can be said of the last 20 years except that, even during the period since the Chinese Communists have been in regions adjacent to Inner Mongolia, no evidence has been reported of the infringe-

[3] *Cf.* Ma Hung-t'ien, *Nei Wai Meng-ku K'ao-ch'a Jih-chi* (*Journal of Investigations in Inner and Outer Mongolia*), Nanking, 1932. (Reviewed by Owen Lattimore, *Pacific Affairs*, Vol. VII, 1934, p. 103–107.)

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ment by Outer Mongolia of a "correct" attitude toward China, through furnishing arms or supplies to the Communists.

We know virtually nothing of internal developments in Outer Mongolia in this period. We do know that both Outer Mongolia and Russia were chronically menaced with aggression by Japan, and that there were actual border conflicts, some of them on a large scale. We know that the situation led to an increasingly close coördination between Russian and Mongol defense; but we do not know exactly how this led to the development of Russian influence in Outer Mongolia, nor do we know how far influence approximated to control.

Hence the importance of China's present recognition of the Mongolian People's Republic. We know that the ground for this recognition was prepared at the Yalta Conference, where China was not represented. We do not know the exact steps and stages of negotiation at Yalta. We do not know whether pressure for recognition of Outer Mongolian independence was applied by Russia, or whether Russia's allies, eager for her participation in the war against Japan, held out as an inducement the suggestion that an arrangement be made to recognize the Mongolian People's Republic.

In any event, President Chiang evidently did not wish even to hint at pressure in the public statement which he made when he stated China's new policy toward Outer Mongolia. Instead, he made a careful statement on the theory and application of policy toward Outer Mongolia; its logical implications for Chinese policy toward Tibet; the bearing of such questions on policy toward ethnic minorities in the home provinces of China; and finally, China's attitude toward the colonial countries of Burma and French Indo-China, and toward Thailand. The whole statement, almost completely overlooked in other countries because of the excitement accompanying the end of the war with Japan, will rank as one of the most important state papers of Chiang Kai-shek, and as a major contribution to the modern statesmanship of Asia. One of its key pronouncements is that China, because of her own "revolutionary principles," must "recognize, with bold determination and through legal procedure, the independence of Outer Mongolia."[4]

[4] The full text can be found in a special release of the Chinese News Service, Washington, D. C., dated August 25, 1945. The original address was delivered to a joint session of the Supreme National Defense Council and Central Executive Committee of the Chinese Government on August 24.

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IV

The country thus recognized by China is — and here we resume to a certain extent the parallel with China — organized under a Party and Government system much like that of China under the Kuomintang. Both systems were drafted under strong Russian influences in the early 1920s. The present Constitution of the Mongolian People's Party is, however, not in draft form like that of China, but in actual operation. This Constitution was enacted by the Eighth Great Hural, in 1940. (The Mongol word *hural*, like the Russian word *soviet*, means "a council.") In July 1944 when Vice-President Wallace visited Ulan Bator on his way back from a mission to China, the writer of this article, who accompanied him, was given a copy of the Constitution and of the Mongol Labor Law and was informed at that time that the Constitution had not been translated into any language (including Russian). The Constitution is divided into twelve chapters, containing a total of 95 articles, and some of its major provisions are as follows:

Chapter I: Land, natural resources, factories, mines, metal working, communications, banks and the mechanized hay-making stations which are a key modernizing factor in a nation of herdsmen, are nationalized (Article 5); Individual ownership of cattle, equipment, tools, dwelling places (camp sites), etc., is guaranteed (Article 6).

Chapter III: The supreme executive organ is the Great Hural (Article 13); Delegates to the Great Hural are elected by the hurals of the *aimaks* (provinces) and the hural of the municipality of Ulan Bator, the capital, on the basis of one delegate to every 1,500 of population (Article 14); the Great Hural must be called into session at least once in three years, by the Little Hural. A special Great Hural can be convened at the will of the Little Hural, on the vote of not less than one-third of the Little Hural (Article 16); the Great Hural elects the members of the Little Hural (Article 15, iii); when the Great Hural is not in session, the Little Hural is the supreme organ of the state (Article 17).

Chapter IV: The Little Hural is elected for a three-year term by the Great Hural on the basis of one member for every 10,000 of population (Article 18). [Since the population is of the order of one million, the membership would be about 100]; a standing committee of the Little Hural must meet at least once a year (Article 20); the Little Hural chooses a Presidium of seven members (Article 21); the Presidium is the supreme organ of the state when the Little Hural is not sitting (Article 22).

Chapter V: A council of Ministers carries on the current business of government (Article 27); The Council of Ministers is responsible to the Presidium of the Little Hural; or to the Little Hural, if it is in session; or to the Great

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Hural, if that is in session (Article 28); the Ministries are: War, Foreign Affairs, Livestock and Agriculture, Labor, Communications, Commerce, Treasury, Interior, Enlightenment (Education) and Justice (Article 33).

Chapter VI: Local Government is carried on through People's Hurals of the *aimaks*, the municipality of the capital city, and subdivisions known as *somo*, *bak*, *khoriya*, and *khorin* (Article 37); the members of each of these hurals are elected by the members of the one below it. There is one representative for each 200 of the population of Ulan Bator, one for each 400 in the *aimaks*, and one for each 50 in a *somo* or *khoriya*. In a *bak* and in a *khori*, the smallest units, all voters of the unit meet in assembly (Article 38).

Chapter IX: The franchise is extended to all at the age of 18, men and women, without distinction of religion, race, individual capacity, nomad or settled, or wealth, with such usual exceptions as the feebleminded and those who lose their franchise under criminal sentence (Article 71).

Later chapters and articles detail a number of rights, liberties and duties, such as right of leisure and social security, freedom of speech and assembly, freedom of both religion and disbelief and the duty of military service. Chapter XII, the concluding chapter, consists of a single article, Article 95, providing that the Constitution may be amended by the vote of not less than two-thirds of the Great Hural, on a show of hands.

A constitution is a blueprint of a political organism, but most political organisms, in actual function, do not correspond exactly to the structural blueprint. A full translation of the Mongol Constitution would give us a much better idea than we have now of the kind of country that Outer Mongolia is supposed to be. It would still not answer, however, the further question — what kind of country Outer Mongolia actually is?

At this point it is necessary to return to the reservation made at the beginning of this article, to the effect that we must admit our ignorance; and ignorance, once admitted, restricts the range of legitimate inference and speculation. One thing can be said, however, without reservation. All printed material coming out of Mongolia, in the Mongol language, reveals a strong tincture of Marxist thought. Yet it is equally clear that this pervasive Marxist influence should not be mistaken as slavish imitation of the Russians and their institutions. A strong Mongol character and a strong Mongol pride also stand out from every page.

Also, and perhaps even more important, there is a realistic acceptance of the fact that the new can only be made out of the old; that Mongols must work within the conditions imposed by the fact that what they inherited from the past was not some

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theoretical order of "feudalism," "backwardness," or "religious superstition," but a particular kind of society molded by history, different from other societies, and associated with a strongly specialized economic system which combined collective tribal ownership of land with individual ownership of flocks, herds and portable dwellings. Hence the Mongol Marxists describe themselves as anti-imperialistic and anti-feudal, but believe that they still have a long way to go before they can even attain Socialism, much less Communism. They therefore consider their problems different from those of the Russians, who live under an order that is Socialist already.

Perhaps the major features of the picture can best be described, or sketched, by saying that the Mongols, under the stress of complex influences, are rapidly changing their old ways, but changing some of them more rapidly than others. In making changes, they appeal for intellectual and philosophical sanction to the Marxist classics, not to the classics of either oriental or western democratic political philosophy. They approach their problems, however, primarily as Mongols, not as imitators of the Russians.

Comparable tendencies appear to be more clearly evident among the Chinese Communists than anywhere else in the world. In view of the spread of many new intellectual influences throughout Asia, and the competition among them, it seems advisable that western political thought should begin to take more note of a major new development, in which philosophical influence does not necessarily connote intellectual subordination or institutional imitation. With all due caution, it may be said that Outer Mongolia indicates the possibility of political, economic and social complexes eclectic in origin and novel in structure and function, but with a stability of their own and with real survival value. The study of such new developments offers a field of investigation as yet hardly touched by American political scientists.

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THE FUTURE OF BRITISH IMPERIAL PREFERENCES

By Herbert Feis

THE British imperial preference system was born out of the union of political exaltation and economic uneasiness. The British Crown emerged from the imperial campaigns, of which the Boer War was the last, with immense new territories. British settlements throughout the world were swept by a feeling of triumphant national pride. Readers of Kipling will be familiar with the emotions of the time, which have been more lately recalled for us in the historical moving picture "Cavalcade." But these give no sign of the uneasiness that at the same time was invading those dim offices of London and Birmingham where the watch is kept over Britain's trade condition. The United Kingdom was carrying almost all the rapidly mounting cost of imperial defense. Its share of world trade had clearly declined during the past 20 years; German and American competition were growing more difficult to meet. The idea of trade preferences within the Empire, discarded many decades before, gained support both as a means of uniting the scattered domains and of sustaining Britain's trade.

The first significant step was taken around the turn of the century, when Canada and South Africa enacted preferences for British goods. When Joseph Chamberlain sought office in 1906, however, on a program of tariffs for Britain and preferences within the Empire ("a true Zollverein for the Empire") he was badly defeated. Britons still wanted cheap food; British industry still wanted cheap raw materials and had confidence in its ability to hold its own. The First World War brought the change: between 1915 and 1922, 26 governments within the British Empire and Commonwealth granted preference of some kind to goods of British origin; and the United Kingdom began to reciprocate, first chiefly by granting favors on sugar, wine and tobacco, and then by extending the preferences to a growing list of agricultural and industrial products.

The Smoot-Hawley bill drew together all the members of the

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British Commonwealth in injured indignation; and the injury to their exports was the harder to bear because other foreign markets were also being reduced by trade controls. Britain, already leaning strongly toward increased protection, made a major tariff revision. Its extent is indicated by the fact that 83 percent of Britain's foreign imports had entered free of duty in 1930 while in 1932 only 30 percent did so.

Thus well equipped with the weapons of economic nationalism, the United Kingdom met with the other members of the Empire to discuss trade relations. The Ottawa agreements of 1932 greatly extended the range of preferences among the United Kingdom, Australia, Canada, India, South Africa, Southern Rhodesia and New Zealand. Many of the increased tariffs and preferences applied to manufactured products in the sale of which the United States had previously led. At about the same time many of the colonies ruled from London took similar action; and in the following years the preference system, particularly in the colonies, was made more rigorous by the introduction of quotas on foreign textiles, primarily directed against increasing Japanese exports. Thus in the middle of the thirties the structure of preferences and the American tariff barriers were at their height. Empire goods received a preference in the British market varying from 10 to 33 percent, and even more for the chief foodstuffs and raw materials produced within the Empire.

In 1938 the trade war between the United Kingdom and Eire was ended and an agreement was signed establishing reciprocal preferences between these two countries. But in the same year trade agreements were negotiated among the United States, Great Britain and Canada. Great Britain lessened or dropped certain preferences that hindered the sale of American farm products, particularly apples and wheat. Canada reduced the duties on such significant items of American export as iron and steel products, chemicals, drugs and electrical supplies. The trend toward ultraprotectionism was at least interrupted, and the desire of the United States and Canada for greater freedom of trade was expressed by further agreements between them during the war years.

Yet the end of the Second World War finds the imperial preference system still extensive. The participants cling to it as an assured basis of trade at a time when Britain is anxious over her ability to pay her way, the Dominions worry over future sur-

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pluses of such staples as wool and the colonies over the prospects for high-cost production of sugar, wine, tobacco and the like. The United States Government has steadily objected to the system since its establishment. But it has never been in a position to force its abandonment, for American sales to Britain and Canada have generally exceeded our purchases from these countries. Thus it has had to resort to bargaining, as in the trade agreements of 1938.

Until 1941 only technical experts and exporters greatly concerned themselves with the subject; but then the bright spark of attention that is struck at each step which great men take fell upon it. President Roosevelt at his meeting with Mr. Churchill on the Atlantic in 1941 tried to obtain the Prime Minister's unqualified endorsement of the American conception of equality in trade. But Mr. Churchill's acceptance of the principle was accompanied with the reservation of "existing commitments." Another attempt to gain the same end was made by the United States Government when negotiating the Master Lend Lease Agreement with Great Britain in 1942. The result is reported by Mr. Churchill in his book "The Dawn of Liberation"—"I did not agree to Article 7 of the Mutual Aid Agreement without having previously received from the President the definite assurance that we were no more committed to the abolition of Imperial Preference than the American Government was committed to the abolition of their protective tariffs."

Thus, great significance has been attached to a tariff arrangement of relatively little direct economic importance. We have sponsored the opinion that the imperial preferences (among others) are a serious obstacle to the revival of world trade, and therefore prejudice the prospects of progress and peace among nations. The question is certain to be in the forefront when governments meet again to discuss their trade relations. A fresh appraisal of the preferential system, in the light of existing conditions and minus the customary assertion of abstract (and self-righteous) principles may, therefore, be useful, even though it is impossible now to measure its aspects closely or conclusively.

II

The imperial preference system is a maze of fiscal arrangements, by which each participant admits into its markets certain exports of the others at lower tariff rates than are imposed upon

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the same products when originating elsewhere. The members thus avoid the full force of international competition in regard to the favored products and, when the preferences are fully effective, are assured of a steady market and a supply of sterling funds. It should be noted, however, that many of the preferences have proven of comparatively little trade value. This is the case when the tariff rates that even the preferred sellers must pay are so high that they cannot compete with domestic producers. It also is the case when the margin of preference (that is, the difference between the preferential rate and that paid by foreign countries) is not great enough to enable the favored participant to compete.

Where the preferences are effective, countries excluded from the system lose export opportunity or must sell at lower prices than they would otherwise obtain. Further, they suffer not only in the markets of the British Empire but elsewhere; for other foreign countries try to offset the effect of the preferences by increasing their own trade restrictions and, perhaps, extending their own preferential arrangements.

The United States has protested against the preferences more persistently than has any other country. Great Britain has been the largest single American market; in particular, it has been the best market for American farm products, of which there so often was an excess supply before the war. Then, too, the export trade of the United States is extremely diverse; some American group has suffered from almost any item in the preference schedules. Yet it should be observed that American exports to British countries since 1933 have been maintained about as well as those to the rest of the world. During the years 1926–30, British countries bought about 42 percent of total American exports. The effects of the Import Duties Act of 1932 and the devaluation of the pound, as well as of the Ottawa preferences, are reflected in a decline to about 40 percent for the years 1931–35; but in the years thereafter the British share of American exports rose again to the former figure of about 42 percent. Save for the increased tariffs and preferences it would no doubt have been greater, for the British countries made a better recovery from the depression than many other countries. But this should be observed: American reckonings of injury have usually assumed that Great Britain and the other members of the system could have paid for their imports in foreign currency or gold as easily as in sterling, ignor-

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ing the difficulties in the British balance of payments situation.

American resentment at the preferences has been sharpened by the fact that the British Dominions claim complete independence in international political matters. And it has been very easy for us to transform our sense of injury into moral indignation, since the United States dealt with the trade of all foreign countries on equal terms, except for the preferences it granted to the products of the Philippines and Cuba. Whatever our offenses against the economic welfare of other countries, we did not discriminate in this way — or, at least, our transgression was small. Thus no theme in American diplomatic utterances is coated more heavily with the enamel of virtue than this.

III

But the issue, happily, is not a moral one. It is primarily one of economic circumstances and its solution lies in the improvement of economic conditions. The American conception of equality of trade opportunity rests on the view that competition on equal terms (*i.e.* subject only to the same external restraints) between the producers of various nations is a feasible rule which will bring all countries the greatest possible benefit from trade. It enables each country to buy from the cheapest sources, and provides the best chance for a country to satisfy its needs for foreign goods by producing more efficiently or working harder. It is an important guarantee of the value of trade privileges obtained by negotiation: and, therefore, facilitates the lowering of trade restrictions by negotiation. It is the most appropriate accompaniment to the idea of the political equality of states; and it is the trade principle least likely to cause disputes. So the claims for the doctrine run, and each has weight — though not the same weight for every country.

But it must be recognized that the validity of the claims varies with the degree of restraint imposed on the movement of trade and the stability of the economic outlook. When countries enjoy a world-wide market in which to offer their goods and acquire the means of paying for imports, then each may truly participate in the competitive opportunities that the world affords on equal terms (though of course it is true that resources and productive skill are not evenly distributed among the different countries). Under such circumstances the American conception of equality of trade opportunity would actually best serve the interest of most

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countries — though not all. There would, even so, be a few so smashed by this war that they would not be able to get along without temporary special favor either in the form of trade opportunity or gifts. There will always be a few so poor in resources and incapable of meeting competition that they will be destined for misery unless similarly aided; these perhaps should be absorbed into some larger trade unit if it can be achieved by peaceful agreement. And there will be some colonies that cannot be satisfactorily left by their mother countries to manage on equal terms with others; they would fall into disorder and soon seek another political connection. But for the larger and more productive countries, granted a good prospect of peace and sufficient export opportunity, the rule of equality (in some form or other) should be feasible. Feasible but not without its price; that lies in a willingness to make internal economic adjustments in response to the tides of international competition.

Up to the end of the First World War actual conditions approximated those sketched out. Trade restrictions were relatively small and the world market rapidly expanding. Problems of internal adjustment presented themselves. But they were managed without great trouble. Under these circumstances preferences such as the present British system could be condemned out of hand as lacking economic justification and as a troublesome form of national exclusiveness. The change in international economic conditions now softens such a judgment. The conception of equality is not as self-evidently beneficial as it was and is more difficult for many nations to practise.

There is space here to take note of only three of the changes which affect the readiness of the British countries (and others) to dispense with preferential arrangements. They are: first, the existing restraints on international trade; second, the need of many countries to be certain of a stable balance in their international accounts; and third, the extension of government regulation of costs, prices, production and employment.

High barriers ruin the idea of trade equality: of what value is equal opportunity to compete on equal terms with other foreign countries in a market that is barely open to any? Furthermore, trade restrictions reduce the export opportunity of some countries more than that of others. The American tariff, for example, admits most tropical products freely but excludes almost all products which might compete directly with those of the American

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farmer. All selective trading systems such as the tariff have in them the germ of inequality, and the more selective the system the greater the resultant inequality. Further, if trade restrictions are great and general it becomes more difficult for some countries to observe the rule of equality, even if they are so inclined. Only those whose products are in exceptional demand or who have competitive superiority find it easy to sell enough to pay for their imports. The pursuit of special advantages gains economic justification with every increase in trade restrictions.

The second change may be temporary. The internal production arrangements in many countries including Great Britain are operating poorly. Money costs of production are uncertain. Means of payment for essentials are short. Under these conditions the risk of facing international competition on equal terms is grave. This is, on the whole, what happened during the depression in the absence of any organized international program of aid; it need not be a lasting condition now.

The third change in circumstance that I have mentioned — the increasing control by governments and groups of costs, prices, production and employment — may prove to be the most stubborn point of difficulty in dealing not only with the imperial preferences but with other forms of preferences practised by other countries. For countries which apply such controls widely are ordinarily disposed to subordinate gains from foreign trade to the successful management of the planned economy as a whole. It is plain that in dealing with countries that regulate the essentials of their economic life the American conception of trade equality becomes difficult to manage and apply. It requires redefinition in terms of a set of very different facts and purposes. The examination of this question, of immediate concern in our relations with the U.S.S.R., must be left for another day. Suffice it to remark that enough flexibility will probably continue to exist in the economic systems of the chief participants of the British imperial preference system to make it possible for them to give a substantial measure of effect to the rule of equality without upsetting their programs of control — provided other economic circumstances are favorable. Even in cases where there is a wish to do so, however, the centralized direction of many branches of production and import will limit the effectiveness of the rule in practice.

The use of preferential trade methods does not necessarily ex-

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press malice or indifference to the economic welfare of others. There are instances, such as the German economic program in the Danubian area before the war, and possibly the present program of the U.S.S.R. in the same area, that represent primarily a wish to secure domination and have little fairness or economic justification. But most of the preferences that American trade faces, including the British preferences, are a response to economic conditions or necessities.

The elimination of preferences is not a moral issue, but part of the general problem of economic revival that faces the world. The restoration of production, the attainment of high levels of real income and employment, the gradual reaccumulation of capital, the lowering of trade restrictions and the brightening of the prospects for political peace and order — all these are needed if the rule of equality is again to prevail. Through the Bretton Woods Agreements and the American-British Loan Agreement, the two countries are already working together for these ends. The problems that will present themselves for solution may be made more clear by a review of the importance of the preferences in the past trade of the Empire and the United States, and an attempt to forecast their importance in prospective trade.

IV

The importance of Empire trade to Great Britain and the usefulness of the preference in sustaining British exports to the Empire is indicated by the following record.

Years	*Percentage of British Exports to Empire Countries*
1913	37.2
1921	42.5
1927	46.1
1929	44.5
1931	43.7
1935	48.0
1938	49.9

With the help of the preferences, British export trade to the Empire fared better than that with foreign countries. The preferences of the earlier period helped reverse the declining importance of Empire markets in the export trade of Britain; and after the Ottawa agreements these markets bought a steadily increasing part of all that Britain sold. It is impossible to measure how much

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of this increase was made possible by the preferences. Economic recovery in the Dominions after August 1932 (the date of the Ottawa Agreements) went faster and farther than in much of the rest of the world. British exports — partly as a consequence of retaliation against the preferences — were subjected to increased hindrances in many foreign countries. And lastly, the record reflects the fact that Empire countries had no difficulty in paying for British goods while many of the foreign countries did.

That the preference system was only one element, and perhaps not the most important, among several seems to be clearly proven by the fact that between 1931 and 1938 (the period in which the Ottawa Agreements were exerting their full influence), the share of British products in the total imports of the Dominions did not markedly increase. The record of Canadian imports may be used as illustration. In 1929 Canada purchased 15 percent of her imports from the United Kingdom and 19.8 percent from the whole of the British Empire including the United Kingdom; between that year and 1933 these portions increased substantially to 24.4 percent and 33.1 percent; but by 1939 they had again declined to 15.2 percent and 25.2 percent. In the later interim Canada reduced some of the preferences that applied against American goods. The record suggests that in some important branches of trade the preference extended to Great Britain was not sufficient to enable its products to gain the market. The same inference follows from the fact that while between 1929 and 1933 the share of American goods in total Canadian imports fell from 68.8 percent to 54.2 percent, by 1939 it had risen again to 66.1 percent.

A brief review of the export trade of Britain in the thirties, commodity by commodity, shows that preferences aided some of the favored branches of British industry, but were of little or no importance to others. Among those most clearly helped were certain types of iron and steel products — including hardware and cutlery, non-metallic minerals, electrical and other types of machinery, motor cars, drugs and dyes, cotton and woolen piece goods; these are all important branches of British industrial production.

Turning to the reverse side of the subject — the effect of the preferences on the sources of British importations — the record is as follows:

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Years	Percentage of British Imports from Empire Countries
1913	24.9
1921	30.5
1927	30.1
1929	29.4
1931	28.7
1935	37.6
1938	40.4

This shows clearly that Britain took a substantially greater share of its imports from Empire sources after the First World War than before, and that after the conclusion of the Ottawa Agreements this tendency became decidedly stronger.

However, again judgment must be uncertain as to the extent to which this was a consequence of the preference system rather than of other causes. For other developments were tending to bring about the same result. The nature of British imports changed substantially during the thirties. Imports of manufactured products became relatively much less important; imports of raw materials and foodstuffs became relatively more important; Empire countries supplied chiefly the latter. British imports from most foreign countries would have declined somewhat in relative value even if no preferences had been granted. This was caused in part by the increasingly high and comprehensive tariff restrictions that Britain placed on manufactured products and in part by the depreciation of the pound. These, rather than the preferences, were the chief obstacles to American exports of many manufactured goods. In some cases, however, such as automobile parts and certain types of machinery, the preferences caused trade to be diverted to the Dominions; and preferences were also the primary obstacle in the case of certain farm products such as tobacco and dried fruits.

That the preferences maintained by Britain did actually and substantially aid Empire producers as compared with their foreign competitors is corroborated by inspection of the record of the distribution of their exports. The sales of other members of the Empire to Britain were much better sustained than their sales in other foreign markets. For example, the percentage of total Canadian exports sent to the United Kingdom rose from 29 percent in 1931 to 41.6 percent in 1934. The preferences encouraged the establishment of branch plants by United States manufacturers in Canada and a few other Empire areas. This

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suggests that the export trade of the Dominions was helped more by the preferences than that of the United Kingdom. This was, perhaps, not so much due to the terms enforced by the individual members as to the fact that the Dominions were in a stronger competitive position than was Great Britain.

V

It is impossible to forecast with any precision the extent to which the removal of the preferences would affect trade between the countries of the Empire under postwar conditions. And the question whether or not other trade restrictions or controls would be increased further complicates the analysis. If the preferences were removed without increasing the general tariff rates, various important branches of British production, industrial and agricultural, would become more exposed in the home market to the competition of American and other foreign products. Among them, to take a scattering of instances from the industrial field, would be the iron and steel industries, other kinds of metals manufacture, electrical machinery and apparatus, motor cars, various branches of chemical manufacture, drugs and dyes, the milling industry and certain types of textile products. It may be assumed that Britain would guard so important a range of economic activity by maintaining some form of protection for them even after the removal of the preferences.

British producers would have to meet foreign competition in other Empire markets without any such aid; reserved markets would become competitive ones. But so unsettled are the terms of future export competition between Great Britain and foreign countries that it seems impossible to estimate what part of British exports to the Empire might be endangered as the result of the removal of the preferences it now enjoys.

Any loss of possible export business anywhere, in the years immediately ahead, is certain to be anxiously viewed by Britain. For a large deficit in the British balance of current accounts is anticipated during the years 1946–49. This deficit was estimated by the British representatives in the recent loan negotiations as five billion dollars for the three years — roughly the amount of the loans sought from the United States and Canada. In the writer's judgment, it may prove to be substantially less.

Whatever the exact deficit may prove to be, it seems probable today that Britain's primary difficulty in eliminating it will not

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be lack of export orders. With or without the preferences everything that Britain can produce, or almost everything, is likely to find a foreign buyer for the next few years. The limiting element in British recovery is more likely to be shortage of labor and production rather than lack of markets. The correctness of this surmise is of course dependent on the economic condition of the rest of the Empire and of foreign countries — particularly the United States. If the affairs of these countries are steadily thriving, then full demand for virtually everything Britain can export is assured. If they collapse, British export trade will wither and the loss of the preferences would be keenly felt. In that sense removal of the preferences would be in part a wager upon the future of the American economy.

Other members of the Empire — particularly the Dominions which have found sheltered markets in Britain for their foodstuffs and raw materials — might in fact encounter greater difficulties of adjustment than Great Britain were the preferences removed. They might in a few years have to yield to the United States part of the market they have obtained in such products as hams, lard, dried fruits, tobacco, rice, wines and timber. But here again anxieties regarding loss of export opportunity may prove unjustified. The total prospective need is much greater than before the war, and very likely to be converted into effective demand. And when the possible disturbing effect of American competition on the main exports of the Dominions is reckoned, two new factors, both affecting the ability and disposition of the United States to regain certain export opportunities, must be noted. They are first, the limited American reserves of such commodities as timber, lead, copper and petroleum; and second, the strongly entrenched policies of maintaining very high minimum prices for agricultural products such as wheat, cotton and rice. If these policies are continued, the United States cannot compete on equal terms.

So also it is impossible to forecast with precision what new growth American trade would find if the preferences were removed. It seems probable that our comparative advantage will display itself most clearly, perhaps solely, in manufactured products — in such products as machine tools, automobiles, refrigerators, electrical and other machinery, the new plastics, certain dyes, drugs, chemicals and the like.

But again it should be emphasized that in the years immedi-

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ately ahead the preferences will be of far less importance in determining our opportunity to export such products to the British Empire (and other countries) than will other circumstances — such as the economic conditions of our customers and their ability to pay the prices we ask. Recently the American level of money costs of production have been rising more notably than those of Britain and the Dominions, and our prices may be high.

Great or small as their loss of trade to the United States would be, it seems clear that the members of the British preference system will not accord new trade opportunities to the United States unless this country reciprocates. Influential leaders in the British Government believe that they can assure themselves of increased trade by planned bilateral arrangements — of which the preference system is a mild species. Can and will the United States (and other countries) offer assured enough opportunity under formal multilateralism to dissuade them from this course? Will the British produce efficiently enough to be able to take advantage of this opportunity?

There are several reasons to be hopeful of satisfactory answers to these questions if the Empire and United States earnestly seek them in concert. First, in the years immediately ahead there will be buyers for almost anything that Great Britain and the other members of the Empire can export. Many of the purchasers have reserves of gold and dollars far in excess of amounts ever previously possessed. The resources controlled by the institutions created under the Bretton Woods Agreements will increase this volume of purchasing power.

Second, the preferential system is likely to be less esteemed by the other members of the Empire than it was during the earlier years of its existence. There will be little sentiment to preserve it for its own sake if other trade arrangements as good or better are in sight. The changing strategy of warfare and defense and the creation of the United Nations have lessened the belief in the unity of Empire as a guarantee of security. In the economic sphere, the preferences will probably be less useful to the participants than before the war. As time goes on, the United Kingdom is likely to become a relatively less important market than it has been. The increased production capacity of some of the Dominions will stimulate their wish for other foreign markets. The growing industrialization, accompanied by a readiness to extend protection, in the Dominions and India, is likely to reduce the

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value of the preferences on various manufactured products. These prospective changes in economic relationships will perhaps bring the British members of the imperial preference system into conference with the disposition to consider alternative ways of attaining economic growth and balance.

The path taken is certain to be influenced by the judgment of the British countries as to whether, inside or outside of the United Nations, a reliable partnership has been established with the United States — partnership in the sense of conjoined destiny that will give each assurance that they would be standing together in any great future economic or political crisis. An agreement to lower preferences in return for other trade opportunities might be reached even if this was lacking. But if there seems a serious risk that in any grave future international crisis each would stand alone, then each will almost certainly continue to strive to make itself more and more self-sufficient — for peace or war. Then controls and restrictions will remain extremely comprehensive. Trade will be kept at the minimum necessary to serve the striving of each to make itself independent of the rest. Any modification of the preferences that is made will turn out to be of little or no significance.

Political considerations have a bearing on the subject therefore, though the issue of imperial preferences is primarily one of economic need and circumstance and should be discussed as such. The task of the negotiators should be to find the acceptable terms of reciprocal economic adjustments that each country concerned must make, if the American conception of equality is to be accepted as valid and feasible. It may be found necessary to proceed gradually, to provide for the stretching out of the period of adjustment. It may also be found advisable to continue to grant dependent and poor colonial areas special privileges, akin to those which the United States accords to Cuba and the Philippines. The goal is not absolute. The American objective is not the rigorous pursuit of a formal principle, but the removal of a disturbing hindrance in the trade relations between the two countries.

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KURDISH INDEPENDENCE AND RUSSIAN EXPANSION

By William Linn Westermann

A KURDISH independence movement was officially inaugurated at the San Francisco Conference in April 1945, in a letter addressed to the delegates in the name of the Kurdish League. The letter was accompanied by a memorandum on the "Kurdish Question." It makes little difference that the material presented was strongly reminiscent of what had appeared in brochure form upon the same subject at the Paris Peace Conference in 1919. The figures in the memorandum may not be acceptable. The demands for Kurdish autonomy may be exaggerated to the point that many readers of liberal intention will consider them ridiculous. Certain facts, nevertheless, remain. There *is* a Kurdish independence movement. It has three active propaganda centers, one located in Syrian Beirut, a second at Sauj Bulagh in western Iran. The third center is in the "Communist" Party of 'Iraq, which has published a program of reforms with the resounding title of "The Charter of the Kurdish People." Its 17 clauses include: collaboration with the Arabs of 'Iraq; "real" independence of the Kurds and Arabs (implying that 'Iraq is under British imperial control); freedom of political opinion and expression; distribution of lands in fee simple to the peasants; old age, sickness and unemployment security; freedom of worship for religious minorities, with special mention in this regard of the Turcomans, Yezidis, Arabs and Assyrian Christians; and encouragement of public instruction for both sexes, with native schools and teaching in the Kurdish language. All of this is admirable enough, if one can grant that Kurdish independence is feasible or that it is advisable from the point of view of world security. Certainly Kurdish Communism is something quite different from the Moscow brand.

The educated and intellectualized Kurdish leaders who supply charters and slogans to the tribesmen (who can shoot much better than they can read) seem to be thoroughly sincere. The movement for Kurdish independence has also found some degree of sympathy among French political commentators and British military personnel who have had actual contact with the problems of the Middle East. Yet when one recalls the Armenian mas-

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sacres of the First World War and the harrying of the Assyrian Christians since that time by the Iranian Kurds, as well as by the Arabs of 'Iraq, one is given a moment of pause. The writer once knew a young Kurdish chieftain who had attended an American university for two years. He talked of baseball with wide knowledge of batting averages, and of football with shining eyes. When asked to use his influence to stop the massacres of the Assyrian Christians he responded: "Don't worry about them. We will kill them all."

In January last the Kurdish "Democratic Party" published a statement throughout Iran, 'Iraq and eastern Turkey that an independent Kurd Republic had been formed at Mahabad in Iran (noted on many maps as Sauj Bulagh), a town some 20 miles south of Lake Urmia. The claim was made that the attendance at this meeting represented the Kurds who are resident in Iran, Turkey, 'Iraq and Syria. More important are the persistent reports of attacks launched from Iran against 'Iraqi defense patrols across the border. It is said that the military leader of the movement is a Kurd, outlawed from 'Iraq, named Mullah Mustafa of the Barzani tribe, and it has been further reported that he is the acknowledged commander-in-chief of some 30,000 Kurdish troops. Allowing a 50 percent deduction for probable exaggeration, the movement would still be an important one. This would particularly be the case if it had Russian backing — as has been persistently claimed in documents sent out from Kurdish sources.

If Kurdish publicity which emanates from Persian Tehran can be believed, Russia is supporting the Kurd liberation movement in several ways. Iranian headquarters at Mahabad are said to have received a printing press and accessories for its propaganda activities. More significant is the statement that the Mahabad center had obtained 20 tanks, four trucks and some mortars from a Russian post at Mianduab, situated about a dozen miles northeast of Mahabad. This is all detailed and specific information, and in itself credible enough. One might dismiss it as unimportant by assuring oneself that 20 Russian tanks and a printing press do not necessarily constitute a fixed foreign policy. If Russian officers are, as the Iranian Kurds claim, taking part in the training of a thousand Kurdish soldiers, they can at any moment easily be disavowed by the Russian Government. These are comforting thoughts. Regarding the Kurds, also, one's faith in the alleged strength and unity of their movement for liberty is somewhat

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shaken by the observation that the Kurdish propagandist newspaper of Beirut, *Le Jour Nouveau*, was apparently willing last October to accede, in the interest of unity, to the Communistic program of the 'Iraqi Kurds. In one of its November issues, however, it takes quite lightly the "accusation" that the Soviet Government favored Kurdish independence. This discrepancy might be explained as one dictated by the needs of local Arab politics in Lebanon and Syria or by the wider consideration of its effect upon readers of the western world. More likely is the explanation that the four groups of Kurds in the area — those of Iran, Turkey, 'Iraq and Syria — are by no means ideologically unified, at least as yet.

The reports coming in to the American press indicate that Kurdish tribes, with Iranian troops from the rebelling Iranian province of Azerbaijan, have been extending their control rapidly southwestward in a direction parallel to the western border of Iran. This follows the Zagros mountain heights, separating 'Iraq and Turkey from old Persia. Recently it was said that cavalry of Azerbaijan have taken towns and prisoners of leftist tendencies, around Zenjan, lying east of Iranian Azerbaijan — if one may still correctly call it Iranian. Russian troop movements are occurring, it is reported, in Kurdistan province, fantastic as it may seem that the Soviet state would use Russian troops to attain ends in western Iran which it can so easily induce the Kurds and the acquiescent elements among the Iranians themselves to achieve for them. Always "rebellious Kurdish tribesmen" are involved in these matters.

Who are these Kurds? Why are they rebellious? What do they want? Obviously some of their leaders hope to found an independent Kurdish republic. What are the justifications of this demand? If they could establish it, is there good reason to believe that they could maintain it? We Americans are a generous people and particularly susceptible to the charm of the slogan of "self-determination of peoples." Before our sympathies become involved in behalf of the Kurds, it might be well that we know something about them.

II

One fact may be disposed of at the outset. The Kurds can present a better claim to "race purity," meaning ethnic unity, and to a continuity of their cultural pattern for a much longer

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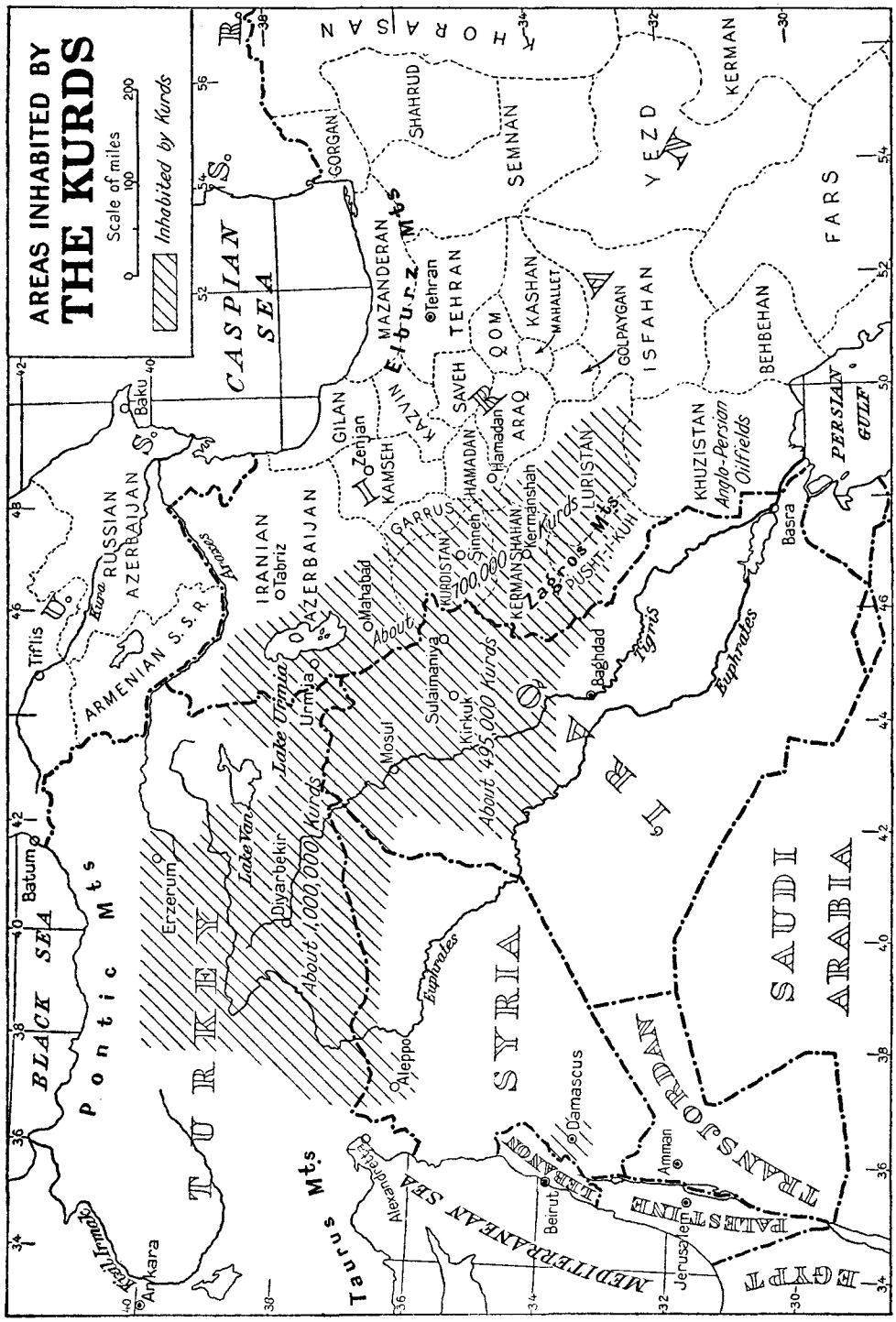

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period than can any people now living in Europe. The culture pattern is essentially of the nomad-herdsman type, of course; but the claim, in that particular pattern, is quite justified. Since about 2400 B.C., originally under the name of Guti, they are known to have lived in the central part of the area over which they are now scattered. This is a limited district, on both sides of the Zagros mountain range and stretching south and west from it through lower Anatolia into the mountainous districts of northern 'Iraq and present-day Syria. Because their nomad life gives these tribesmen a high degree of mobility, Kurdish "splinters" are found also in Afghanistan and Baluchistan. There are, indeed, Kurdish population groups even in Aleppo and Damascus.

The only element of Kurdish culture which has changed much in the 4,300 years of known Kurdish life is the language. The Kurds took the Iranian basis of their language from the Medes and Persians about the twelfth century B.C. They still resent any invasion of their lands and any other intrusion upon their independence just as sharply as they did when Xenophon, the Athenian, led his ten thousand Greeks northward out of Mesopotamia through the "Karduchian" villages in 400 B.C. In this respect, the only thing which has changed among the Kurds is the type of weapon used. Indeed, the only progress worth recording in Kurdish life is that where once the Kurds fought with bows and arrows, they now shoot guns. During the revolt of the Iranian Kurds in 1942, and in the fighting which is now going on, a part of their weapons, particularly machine guns, has been of Russian manufacture. A predilection of the Kurds for shooting at moving objects, preferably at human beings, has not altered much since Xenophon's time.

Against this tendency is to be placed a fine sense of hospitality to strangers who have been accepted as their guests. An incident typical of this trait was related of Ibrahim Pasha, a chieftain who headed the Milli tribes of the Kurds until his death in 1909 at the hands of the Young Turks. He had seen the massacres of Armenians in Constantinople in 1897. A French career diplomat was sent to the Mosul district to make a report upon Ibrahim's connection with these events. When he was about to leave, Ibrahim Pasha presented him with his own mount, a beautiful white mare, which the Frenchman felt compelled to refuse. After some thought, Ibrahim said: "I understand. Your report would be suspected. Then I shall send my oldest son with

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you. He will ride your horse beside you. You will ride my mare; and when you reach the border of my land, you will return the mare to him and he will tell you farewell for me." It was a gracious act.

The social and political organization under which the Kurds have always lived is tribalism. Once, in the tenth century A.D., they established a fairly extensive Kurdish Kingdom — but only for the lifetime of one chieftain. Although constantly under the nominal suzerainty of larger Powers, from the time of the Persian Empire of antiquity to the end of the Turkish Empire in 1918, the Kurds have actually maintained a considerable degree of autonomy, of a non-coöperative and purely negative type. Particularly they have refused to accept two signs of subjection — taxation and conscription for the military purposes of their nominal rulers. Resistance to these demands, resulting in revolts, has been chronic with them.

In the early months of 1919 a certain Chérif Pasha appeared at Paris as head of a "Kurdish delegation" to the Peace Conference. He had been appointed by a group called the Committee of Deliverance which had been negotiating with the old Tsarist régime in Russia during World War I for help in establishing Kurdish autonomy. The memorandum circulated at the Peace Conference which bore the name of Chérif Pasha actually had nothing to do with subsequent events. It was quite a different set of forces which resulted in the clause embodied in Article 62 of the Treaty of Sèvres calling for a state of Kurdistan, which was to be an autonomous area of the new Turkey. It provided for the selection of an International Commission of three members (one British, one French and one Italian) which was to draft within six months a plan for local autonomy in "the predominantly Kurdish areas" of Turkey. These Turkish areas lay in the south-eastern part of the Turkish state, as that sadly truncated country was delimited in Article 27 of the Treaty of Sèvres. The whole Treaty was, of course, stillborn. There is no available evidence that this particular "Kurdish Commission" was ever established. Certainly it never went to Kurdistan or otherwise showed any sign of life, because the able Turkish leader, Ghazi Mustapha Kemal, had already closed the mountain regions of eastern Anatolia against invasion, even against inspection.

The motives which lay behind this plan for an autonomous Kurdistan are now hard to determine. Its purpose may have

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been, in part, to eliminate all chance of the resurgence of a powerful Turkey. Certainly it would have provided a neat buffer district to the north of Mesopotamia between the British mandate of 'Iraq, with its oil fields about Mosul and Kirkuk, and any development in the north which might eventually be a danger to British control of the Mosul area and the 'Iraqi state. The French may have acceded to it in the expectation that their hold upon Alexandretta and its hinterland (the present Hatay province of Turkey) would thereby be strengthened. If so, French leadership of the time was ill-advised regarding the forces and the possibilities involved.

Aggressive Turkish nationalism won a complete military victory over the Greeks in 1922; and in the Treaty of Lausanne, which put the seal of futility on the provisions of the Treaty of Sèvres in the fall of 1923, it won a resounding diplomatic victory over Britain, as represented by the anachronistic figure of Lord Curzon. For the following three years the Kurdish question took the form of a territorial dispute between the Government of 'Iraq and the new Turkey, regarding sovereignty over the vilayet of Mosul. Actually the dispute was one between Turkey and Great Britain, which still controlled 'Iraq as mandatory Power. This controversy was settled by a decision of the League of Nations in 1926, whereby the Mosul vilayet, with its total population of about 800,000 — which included 265,000 Kurds and about 147,000 Turcomans — became a part of the mandated Kingdom of 'Iraq, and the highly productive oil wells of the Mosul and Kirkuk area were amply protected for the British Empire.

During the years between the Treaty of Lausanne and 1942, two serious revolts of the Kurds had occurred in Turkey, three in Iran and three in 'Iraq. These revolts indicated a vital spirit of resistance to control on the part of the Kurds; but it is a mistake to interpret them as evidence of a conscious and active feeling of Kurdish unity and nationalism or even of an overwhelming desire for statehood. The rebellion of the Kurds of Turkey in 1937–38, though little known, was a large-scale affair, and was followed by bloody reprisals upon the Kurdish leaders in which several thousand are said to have been slain. A rigid censorship was exercised by the Turkish authorities over the fighting and over the stern treatment meted out to the Kurdish chieftains, but the seriousness of the revolt is disclosed by the measures subsequently adopted. The Kurdish provinces were divided into

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smaller districts; the Turkish forces used as guards were heavily increased; the Kurds received, officially, the nationalizing name of "Mountain Turks"; and many of them were moved down from their mountains and the summer pasturages they had used for several thousand years to be settled in the plains as sedentary farmers.

III

The propagandist newspaper of Beirut, *Le Jour Nouveau*, has recently published the standardized Kurdish version of the population of Kurds in the five important areas of their residence. It comes to more than 4,000,000 in Turkey (estimated); 1,000,000 in 'Iraq; 3,500,000 in Iran; 160,000 in Transcaucasian Russia; and 250,000 in Syria. Thus is reached the fantastic total of almost 8,000,000 Kurds. Taking no account of the numbers in distant Afghanistan and Baluchistan, the best available estimates show them dispersed as follows among the five sovereignties mentioned above:[1]

In Turkey (census of 1926)	1,000,000
In 'Iraq (census of 1924)	494,000
In Iran (general consensus of guesses)	700,000
In Transcaucasian Russia (census of 1911)	125,000
In Syria	100,000
Total	2,419,000

In no one of the parts of geographic "Kurdistan," which may be defined as including only the territory occupied by the Kurdish tribes of Turkey, 'Iraq and Iran, does the Kurdish element form more than a strong minority of the total population. During the negotiations conducted before the League of Nations in 1923–26 regarding the sovereignty over the Mosul district, and since that time, the Turks have refused to acknowledge the Kurds as a population element alien to themselves, preferring to regard them as an assimilated people. The linguistic test, however, fails to substantiate this claim, because Kurdish speech is of the Iranian language group, though with intrusions of modern Persian, Turkish and Arabic words.

[1] Taken from a doctoral thesis of the University of Paris by Messout Fany, "La Nation Kurd" (1933), p. 31–41. This estimate is fairly close to one given by a League of Nations Boundary Commission in 1930, which put the total of the Kurds at about 3,000,000.

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The Kurdish tribes of Iran, located chiefly in the provinces of Azerbaijan, Kurdistan and Kermanshahan, were conquered and disarmed by the former Shah of Iran, Riza Khan, so far as this was possible. When, in 1941, the Russians came into Iranian Azerbaijan from the north, and British troops crossed into the Persian highlands from the west via the Zagros passes, the Persian army in those areas collapsed. By the end of September of that year it had disintegrated and its peasant soldiers had walked back home. The Kurds thereupon helped themselves to the arms stored in large arsenals in the towns of Urmia, Sinneh and Mahabad. Thus equipped, they set about restoring the traditional position of freedom from supervision which they had lost in the previous two decades.

From one point of view this "rebellion" of the Kurds of Iran may be regarded as part of the series of endemic and automatic native Kurdish uprisings against the restrictions and controls imposed upon their independence since 1920. But it has two features which make it unique in Kurdish history and give it a small spot in the picture of present large-scale strategy. The first is that it took on the aspect of a unified movement of the Kurdish tribes of the three states of Iran, 'Iraq and Turkey, and that it was supposed to be conducted under the centralized leadership of a single Sheik named Mehmet Ali Rashid. The second new feature is that the revolt of the Iranian Kurds has had from the outset the tacit support, at least, of the Russian troops which had entered the northwestern Iranian province of Azerbaijan in 1941. This advance of the Russian troops into Iran from the north simultaneous with the advance of British forces into northern 'Iraq from the west can be justified as a necessary measure of the war plans of the Allies. But whether the unified Kurdish independence movement will be something to reckon with or whether it will suffer a sudden and total collapse depends upon whether it continues to receive Russian support.

That the strength of the Kurdish movement lay in the "sympathy" which the Russians felt for it was apparent to the Turks as soon as this 1941 rebellion began. Turkish leaders had believed that their vicious reprisals upon the "Mountain Turks" in 1937–38 had put an end to Kurdish troubles for years to come. Now they had broken out again, after only three years. What the Turkish leaders threatened to do, if the Kurdish rebellion of 1941 was permitted to continue, is unknown to the writer. Cer-

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tainly it was no time for the Allied nations to play fast and loose with Turkey. Rommel's eastward advance in North Africa against Tobruk and Alexandria, and the great Nazi effort to take the oil wells of the Caucasus region, were in the offing. In the latter half of May 1942 the Russians "suppressed" the Kurdish revolt in Iran. This probably meant that they were induced to use their influence to have it called off. What form the inducements took is not yet known. The nearest guess would be that the methods of persuasion were closely tied up with lend-lease to Russia. In any event, at the Tehran Conference in November–December 1943, Joseph Stalin signed, along with President Roosevelt and Winston Churchill, a renewal of his declaration of "the maintenance of the independence, sovereignty and territorial integrity of Iran," a clause taken from the British-Soviet-Iranian Treaty of Alliance of January 1942.

In 1942, and for a time thereafter, a certain amount of agitation for independence emanated from a Kurdish independence society, called the *Khoiboun*. This *Khoiboun* movement, organized in 1927, had established a connection with elements of the old revolutionary Armenian society called the *Daschnakzoun*. Its object was to promote a union of the Kurds of 'Iraq, Syria and Turkey, enlisting in its aid the old Armenian hatred against Turkey. During 1942 an obvious attempt was made to bring in the "Assyrians" (Nestorian Christians) of Iran and 'Iraq as well. Even without any foreign backing this combination might conceivably have caused trouble to the three states of Iran, Turkey and 'Iraq, supposing its propaganda could have overcome the centuries of hatred which separated these three incompatible elements; but the chances of this were small. The religious differences which separate the Moslem Kurds from the Gregorian Armenians and the Nestorian Christians are too deeply felt by the peoples involved; and the massacres of the past century are unforgotten — massacres of Catholic Armenians by Gregorian Armenians, of Kurds by Armenians, of Armenians by Kurds, and of the Assyrians by all parties concerned. Such massacres in the Middle East are to be regarded somewhat in the light of political activities, like voting with us, except that the massacres do not occur at fixed times — and they are much longer remembered.

Khoiboun is the Kurdish word for "independence." To the time of the Russian troop movement into northern Iran in 1941 the

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Khoiboun was solely a Kurdish movement in origin, direction and ultimate aims. It was only six months, however, after the signing of the Soviet-British-Iranian treaty early in 1942 that suspicions began to be expressed regarding Russian intrigue among the inflammable elements which are always available in the Near and Middle East. Armenians from the Armenian Soviet Socialist Republic were appointed to replace the disarmed Iranian police in Tabriz, headquarters of the Russian zone of occupation. Letters were received by members of the Assyrian Christian community of Baghdad extolling the treatment which their co-religionists in northwestern Iran were receiving at the hands of the Soviet authorities and soldiery in that region. The deduction to be drawn was obvious. The Assyrians of Baghdad, too, should ally themselves with the *Khoiboun* movement.

IV

As late as 1945 honest friends of Russia could still protest the assertion that the U.S.S.R. was pursuing a policy of political and economic expansion southward into Iran. Today there are few persons conversant with Middle Eastern affairs who would deny that this expansionist policy is a fact, few who would reject the conclusion that its ultimate aims are both economic and political. The Russians have, apparently, obtained the oil concessions which they have been demanding in Iran. Probably they are working toward the attainment of a warm seaport on the southern shore of Iran. It is no more than common sense to assume that Russian diplomacy is fully conscious of the danger which any pressure southward in Iran must spell for the British Empire.

The Russian need for oil concessions and an ice-free port may well be justified. It is the methods used in moving toward these ends which brings further consternation to a world already so sick of intrigue and of the smothering of the helpless. The pattern of the Russian advance in Iran is quite familiar. It is a policy of political fragmentation. The Romans had a word for it—*divide*. Amidst mutually hostile groups, this one is pitted against that. In the turmoil which ensues, the rest is easy for a strong Power. Thus the able leader of the Mukri tribe living about Mahabad, Qazi Muhammed, was called to Tabriz in Russian-controlled Azerbaijan in 1945, there to receive instructions, or guidance if you prefer. A small group of Kurdish chieftains had previously visited Baku. They, too, had been urged to set up an

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autonomous Kurdish state. According to the wording of the Russian Treaty with Britain and Iran, all Soviet occupational troops should have been out of Persia by March 6 at the latest. But before the withdrawal was accomplished the Iranian province of Azerbaijan had become a separatist region, with puppet leaders who do what they are told to do. To all intents and purposes the Caspian Sea is enclosed at its southern end by Soviet power. It has become a Russian inland sea.

There is little chance that any strong backing for an independent Kurdistan will be found in the United Nations. Such a state would have to be formed by taking large areas out of three sovereign states, Turkey, Iran and 'Iraq. It would absorb some of the chrome lands of Turkey which were so important a weapon against von Papen's Nazi diplomacy during the war. It would include the British-controlled oil wells of the Mosul and Kirkuk districts in 'Iraq. If it should be established, it would offer no promise of internal stability or permanence. For the Kurds have never been a unified people. They have no national tradition, no background of unity and no experience of self-rule. But even though the idea of a unified Kurdish state is completely unfeasible, the Kurdish movement for *Khoiboun* is the most dangerous of all the troubles which now beset the Middle East — because of the support which it has from Soviet Russia. Even if a limited Kurdish region were to be set up as an independent unit in Iran alone, the situation would be bad. The Kurdish tribes of Turkey, numerically the largest group, would almost certainly become involved in the independence movement. In that case, the Turks would go to war to maintain the unity of the state which they have knit together with so much self-sacrifice and expenditure of blood.

No one denies that the Kurds are good fighters. Those who know them best call them "trigger-happy." The tribes of Iran are supplied with arms and ammunition of a quality and in quantity such as they have never known before. All of the Kurds have grievances against the states of which they are now subjects. Grievances, ammunition and a fighting people — this is the explosive combination with which the Soviet Union is playing the hoary Tsarist game of expansion.

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HOME RULE FOR SCOTLAND

By Sir R. H. Bruce Lockhart

Stands Scotland where it did?
Alas, poor country,—
Almost afraid to know itself.

THE period between the two World Wars, gloomy enough in the history of the United Kingdom, forms one of the darkest chapters in the story of Scotland. Bled white in the war of 1914–1918, which by the chance of fate exposed Scottish regiments to disproportionately heavy losses in disastrous battles like Loos, Scottish manhood lost much of its former vigor and accepted with apathy a rapid national decline to which economic disintegration and the centralizing policy of the British Government were the main contributory factors. It is a truism, demonstrable by a mass of statistics, that in the economic contraction after the First World War Scotland and Wales were the chief sufferers. The London area, which today houses a quarter of the population of Britain, was the first concern of every government in power. Everything was done to sustain the heart; the limbs were sacrificed. And Scotland was the remotest limb. If a war industry had to be scrapped, a Scottish industry came first on the list. The Scottish railways were absorbed by the two leading English companies. Most of the Scottish banks suffered a similar truncation of their independence. Worse still was the fate of the Scottish shopkeepers who saw their towns invaded by the multiple stores from the south of England. Today, Princes Street in Edinburgh, once the pride of Scotland, presents the spectacle of a provincial English street in which the solid Scottish shops have been largely replaced by the garish uniformity of Woolworths, Boots and the Fifty Shilling Tailors.

This transfer of the central control of industry and commerce to the south not only impoverished the Scottish population and increased unemployment; it was also an almost mortal blow to Scottish energy and to Scottish initiative. It affected every class of home Scot; it contracted the business of great institutions like the Scottish Bar. Moreover, the evils of contraction were aggravated by the gradual exhaustion of the great Lanarkshire coal and iron belt. Like England, Scotland has an overburdened heart. Approximately one-half of the total population is con-

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centrated in the Glasgow and Clyde valley area. Between 1910 and 1939 the production of Scottish coal, once the life-blood of Scottish prosperity, fell from 41,335,132 tons to 30,528,074 tons annually. By far the largest decline was in the Lanarkshire belt, where output fell from 23,712,489 tons in 1910 to 13,024,017 tons in 1939. The consequent reduction in the number of persons employed was more than 50 percent.

This economic distress has had a deleterious effect on the health and morale of the Scottish people. It could hardly have been otherwise, indeed, when just before the recent war 1,500,000 people out of a total population of under 5,000,000 were suffering from chronic unemployment; when the percentage of overcrowding (22.6 percent) was almost six times that of England and Wales (3.8 percent); when the adverse trade balance had risen from £2,000,000 in 1913 to £22,000,000 in 1937; and when between 1921 and 1931 Scotland had lost by emigration 80 per thousand of her population as compared with England's five per thousand.

English indifference, much more marked toward Scotland than toward distant Crown Colonies, has much to answer for in the present state of Scotland. But a heavy responsibility lies on the Scots themselves. Since the time of John Knox, whose main contribution to Scotland was the placing of a dominie or schoolmaster in every parish, the strength of the Scot was his thirst for education and his desire to better himself. At the end of the nineteenth century Scottish education was sound and in most respects superior to English education. The poverty of the country, aggravated by civil wars and internal dissensions, enforced frugal living. Presbyterianism, whatever else it did or did not do for Scotland, added high thinking and hard work to plain fare. Family discipline was strong. The success of the famous Scottish day schools was assured by the stern interest which Scottish fathers took in their sons' studies. Moreover, national faith and pride in the virtues of Scottish education kept the Scottish schoolboy in Scotland. Up to 1850, no school in Britain could show a more distinguished list of former pupils than the Royal High School of Edinburgh, and the flow of Scottish boys and students to English public schools and universities was little more than a trickle.

During the last 50 years there has been a change both in trend and in geographical direction. The richer Scot now sends his son

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to an English public school and to either Oxford or Cambridge. His reasons are varied. They are partly snobbish and partly the result of his own decline from the austerity of his forebears. He is no longer content to stay at home and supervise his son's work. If he wishes his son to enter government service or a great commercial concern, he sends him to England to make his friends there and to acquire an English accent. The headquarters of big business, the plums of the civil service, are in London. If he retains some of the former seriousness of the Scot, he will reason — and reason rightly — that in England education has made great progress. In Scotland it has declined. And for that decline many factors are responsible: national apathy, loss of morale through unemployment and the drift from religion, and, not least, perhaps, the once loudly-acclaimed benefits bestowed by the late Andrew Carnegie. Certainly, as far as the Scottish universities are concerned, the Carnegie benefactions have been of doubtful value. Carnegie students have flooded the classes until they have become unwieldy and unteachable. Moreover, the average student of this type, eager and, indeed, forced by stringent circumstances to earn his living as soon as possible, uses the university mainly as the quickest road to social security. His one interest is to pass an examination which will qualify him for a safe job. The weight of his numbers forces the teaching staff to bend to the prevailing tendency. The humanities are neglected; there is neither time nor opportunity for higher ambitions.

The desire of the Scot for self-betterment has been individual and not national. This fault has led to many abuses. The Scottish employer has always been a hard master, regarding low wages as the key to profits and importing cheap Irish labor with ruthless indifference to the interests of the Scottish workers. The slums of the Scottish towns date from the heyday of Scottish industrial prosperity. During the recent war I once sat at dinner next to John Steinbeck who had just landed at Glasgow. I asked him what he thought of our greatest city. He hesitated and then answered slowly: "The worst example of what greed has done for the world." The remark was cruel, but I could deny its truth in no other way but to point out that Glasgow was not the only example of ruthless greed. Moreover, the urge for self-betterment, natural in any healthy people, was and is stimulated in the Scot by the dourness of a home life which to the industrial worker gave and still gives little prospect of advancement and to the

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crofter only the barest necessities of existence. Indirectly it is responsible for Scotland's greatest evil: an excessive emigration which has drained the country of its best blood.

To those Scots who take what is called the romantic view of Scotland, the story of Scottish emigration is one of pride and self-satisfaction. They extol the part, prominent out of all proportion to size of the country, which Scots have played in the development of the British Empire. They point to the number of Scots who have been Prime Ministers of the great Dominions, and indeed of Britain herself. The glory is there for all to read, but until recently few Scots have counted the cost. Emigration has been accompanied by an inevitable process of denationalization. Today the successful Scot who returns from India or the Far East may spend his holidays in Scotland, but he settles in England, and his enthusiasm for his native country is confined mainly to celebrating St. Andrew's Day, attending Burns Anniversary dinners, and cheering on the Scottish football team at Twickenham or Murrayfield. Today, there is an increasing tendency, not wholly unjust on the part of Scottish nationalists, to regard the Anglo-Scot as nearly lost to his native country.

A much heavier drain on Scotland's life-blood has been the unceasing flow of emigrants to the Dominions and to the United States, for these Scots are lost forever. According to the last census (1931), Scotland lost by emigration during the last 70 years no less than 1,365,636 of her inhabitants. The average annual figure is almost exactly equal to the average annual losses killed during the bloody years of 1914–1918. The effect on the home Scot has been disastrous. Emigration is and always has been selective. In the average Scottish family it was the son with initiative and grit who went abroad; it was the dullard who stayed at home. In the rural districts, especially in the Highlands, this selective process has been going on for over a century. Not only have the successive generations of stay-at-homes continued to breed a progressively poorer type of Scot until the sturdy crofter, who made the best settler, has disappeared, but in little more than a hundred years the rural communities themselves have been reduced to about one-seventh of their strength. Today, four-fifths of Scotland's population live in the towns — most of them in the industrial area between the Firths of Clyde and Forth where the infant mortality rate is the highest in western Europe.

Perhaps the most serious result of this national decline has been

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the loss of the Scot's greatest asset — his capacity for hard work. For many years now Irish labor has been imported into the industrial areas. More recently, too, there has been a tendency on the part of the Scottish farmers to replace Scottish agricultural laborers by Irish, partly because the Irish give less trouble, but mainly because they work harder.

II

This picture of present-day Scotland is somber, but it is not exaggerated. For if the richer Scots who have made business accommodations with London are now resigned to accepting Scotland as an outlying country of England, national decline has provoked an awakening of the national conscience which, aroused from a long complacency, is inclined to paint the future darker than it need be. The strength of this growing nationalism is difficult to gauge, for the Scot differs greatly in character and in temperament from the Englishman, and the same individualist qualities which make him an acceptable immigrant in a foreign country are serious obstacles to unity at home. The national awakening has therefore produced several movements and many shades of opinion. Moreover, it is heavily handicapped by the fact that the easiest road to Parliament is through the existing British political parties and by the grip which Socialism has established on the industrial areas. The Parliamentary record of Scottish M.P.s is a sorry tale of neglect of Scottish affairs and slavish obedience to the Whips of the great English parties.

The only purely national political body in Scotland today is the Scottish Nationalist Party. It has had a checkered history. It began in 1918 with the Scottish Home Rule Association which included among its members Mr. Thomas Johnston, who in the recent war proved himself the most successful and most popular Secretary of State that Scotland has ever had. In 1927 the Association introduced a Home Rule bill in the House of Commons. The bill was ignominiously defeated. This check ended the life of the Association which in 1928 split into the National Party of Scotland and the Scottish Party, the former being strongly Left in composition, while the Scottish Party was supported by the nationalists of the Right. In 1928 the picturesque Mr. Cunninghame Graham nearly defeated Mr. Baldwin, then Prime Minister, in the Glasgow Rectorial election, and in 1931 Mr. Compton Mackenzie, the well-known author, was

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elected Rector of Glasgow University. Successes in Parliamentary elections, however, were meager, mainly because the traditional political parties were opposed to the creation of another party which would grow only at the expense of their own. In 1933 the two Scottish parties merged into the Scottish National Party. Eight candidates presented themselves at the 1935 General Election. All were defeated, and the number of votes polled was disappointing. This lack of success was reflected in dissensions within the ranks of the Party. The climax came in 1942 when Mr. John McCormick proposed that the Party should cease to contest Parliamentary elections. A great surprise followed. The war, conducted from London by methods which were perhaps rendered necessary by the crisis, but which ignored Scottish rights even to the extent of forcibly deporting Scottish workers to England, had given a new stimulus to Scottish nationalism. Mr. McCormick's proposal was defeated by the activists who elected as their chairman the brilliant but violent Douglas Young. Mr. McCormick and his supporters withdrew in order to form the Scottish Convention which seeks to reach its goal by persuasive propaganda.

Now set on a direct course, the National Party gathered fresh strength. Douglas Young himself did surprisingly well in the Kircaldy by-election in 1944, and in 1945 Dr. McIntyre won a remarkable victory in the Motherwell and Wishaw by-election. It must be admitted that the circumstances were exceptionally favorable. All Scotland was angered by the refusal of the British Government to accept Prestwick as the chief airport of Britain and to sanction the long-awaited road bridge across the Forth. As usually happens in by-elections, many electors who had little sympathy with the aims of the National Party voted for Dr. McIntyre as a mark of their displeasure.

The hopes of the party, however, rose buoyantly, only to be dashed to the ground at the general election of 1945 when all the eight National candidates, including Dr. McIntyre himself, were heavily defeated. Once again the British voter, including the Scot, had reverted to the parties which have the power.

The aims of the Scottish National Party are clear, concise and extreme. They are self-government for Scotland, and the restoration of Scottish national sovereignty by the establishment of a democratic Scottish Government whose authority will be limited only by such agreements as will be freely entered into with other nations.

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The most interesting figure in the party is Douglas Young, the new chairman. The son of a former Dundee and Calcutta jute merchant, he is only 33. As a scholar he has a brilliant record. Educated at Merchiston Castle, one of the leading Scottish public schools, he took first-class honors in classics both at St. Andrew's and Oxford. A remarkable linguist, he speaks French, German, Italian, modern Greek, Serbian and Russian. He has also learnt Gaelic and is a master of broad Scots and a fine poet in the same language. He learnt his Russian in Saughton Jail where he spent 12 months during the war for refusing to be conscripted for military service by any other authority than a Scottish Government. He wears a kilt, stands six feet seven in his stocking-soles, and has a large curling black beard which adds to the general picturesqueness of his appearance. It need hardly be added that he is as unyielding in his determination as he is nationalist in his views. Indeed, the Scottish National Party is at present altogether too radical to attract the average Scottish voter to its support. Nevertheless, it has done good work in opening the eyes of many Scots hitherto indifferent to the state of their country.

A more promising movement — it has nothing to do with political parties — is that which was started during the war by Mr. Johnston, the Secretary of State for Scotland. It has no title. Its aim is a square deal for Scotland and it embraces in its fold a large body of Scots, from the advocates of devolution to all but the most extreme supporters of self-government. Whatever wrongs the central authority in London may have inflicted on Scottish rights, it must be admitted that the recent war gave a much-needed stimulus both to Scottish industry and to Scottish agriculture. Shipbuilding and the heavy industries revived; the Lowland farmers prospered. Moribund steel mills were given new life; new factories were established. Admittedly there is a dark side to this picture of renewed prosperity. Fundamentally, it is artificial, for the fillip was given mainly to the old industries whose previous weakness had been one of the chief causes of the national decline. Nor did the war do much for the Highlands where decades of unrelieved distress have driven the once sturdy crofter from the land until the divorce between soil and man is now almost complete. As in the First World War, the Highland forests have again been savagely denuded with little regard to the future and even less consideration for the natural beauty of

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the countryside. The once flourishing Highland fishing industry, sadly reduced during the period between the two wars, languishes from lack of capital and from antiquated equipment.

It is one of Mr. Johnston's great services to his country that, realizing the temporary nature and benefits of war prosperity, he has done and is doing his best to provide for the future. Putting national interests before those of his party, he set up a Council of ex-Secretaries of State, a Council of Industry, and various committees which included representatives of Scottish finance, industry and labor. Working in remarkable harmony, these councils and committees have made a full survey of the future tendencies of Scottish national economy and, although they have no executive powers and the necessary finance depends on the approval of London, they have prepared several excellent schemes for the retention of what is sound in Scottish economic life and for the provision of new industries and of new developments in agriculture. Thomas Johnston (for thus he always signed himself in papers of state, though to every son and daughter of Scotland he is known affectionately as Tom) is in every respect a remarkable man. Once an extreme Socialist, today still a Socialist, he is respected by all parties and shares with Anthony Eden the reputation of possessing the greatest integrity of any British politician. The author of a first-rate history of the working classes of Scotland, he once wrote a fierce and not wholly unfair attack on the Scottish nobility. He likes his books and his pen. When Mr. Churchill offered him the Secretaryship of Scotland, Mr. Johnston refused, replying that he wished to write history. Back to Edinburgh came a telegram from the Prime Minister: "Come to London and *make* history with me." Mr. Johnston went. Today he has mellowed. He admires Winston Churchill; he was devoted to Harry Hopkins, whose mother was born in the same dreary Scottish township as his own. But, above all, he has turned his thoughts to his native Scotland. Today he has reached the stage when a Scottish banker who is interested in Scotland's future means more to him than a British Labor politician who is not.

When the Labor Government came into power in July 1945, Mr. Attlee used every form of argument to persuade Mr. Johnston to remain in office. But Tom refused. He had work to do at home. Unfortunately, he has been replaced as Secretary of State by a much weaker man, who has the merit, however, of being ready to accept Mr. Johnston's advice. Tom is still the power

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behind the Scottish scene. He has put his hand to the Scottish plough and he will not leave it until he dies.

There is one other factor in the Scottish revival which must be mentioned. This is the Saltire Society which, founded a few years before the war, has done solid work in stimulating and reviving the cultural life of Scotland. Its president is a young architect called Robert Hurd, and not the least of his services has been the encouragement of new designs, based on past achievements, for Scottish housing. By republishing the works of almost forgotten Scottish men of letters, the Society has induced many Scottish authors to pay more attention to the realities of modern Scottish problems and to shun the temptations of that Scottish romanticism so popular with the English and American reading public on whom most Scottish writers are mainly dependent for their living.

The Society's greatest achievement, however, has been its campaign for a proper Scottish broadcasting service. The campaign has already yielded results. Scottish education may have declined. The Scots, too, may lack a sense of humor. But Scotland still demands and deserves a more solid and satisfying fare than the thin beer of the English B.B.C. whose infrequent references to Scotland tend more often to irritate than to please.

III

It is the most obvious of truisms that the life of a people depends on their own will-power to maintain an independent national culture. Indeed, history affords almost as many instances of small nations being absorbed by voluntary apathy as coerced by brute force, and even where superior physical might has prevailed a strong national will has sometimes survived centuries of oppression to force its way to freedom. Ireland and Norway are illuminating examples. Neither country, particularly Eire, provides an exact parallel with Scotland, but Norway's progress since independence has fired the imagination of many Scots.

Provided that the economic life of the country can be diverted into new channels, the economic prospects are far from hopeless. The great Lanarkshire coal and iron belt may be petering out, but, as the 1944 Report of the Scottish Coalfields Committee shows, there are great reserves of unworked coal in Fifeshire which will enable production not only to be restored to the pre-war level but also to be very substantially increased. Given a

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proper and systematic development, we are therefore likely to see a considerable transfer both of industry and of population from west to east. A planned policy which will concentrate on marketing and on the products which Scotland can best produce can do much for a country which depends more on agriculture than England and which can claim some of the best-managed farms in the United Kingdom. In order to solve the chronic crisis of the Highlands, Mr. Johnston has advocated the linking of light local industries to crofting. In addition, the abundant waters of the Highlands are to be harnessed for electric power, and, although the various schemes put forward have met with much opposition, time and the fostering star of Scotland must be on the side of the utilitarians and against the romanticists and the would-be conservators of rural amenities. Still more could be done for the Highlands by re-afforestation which after the ravages of the last war was neglected by the British Government in Whitehall and which, without unceasing vigilance, is unlikely to receive better treatment from the present Labor Government. Unfortunately, the sparsely populated Highlands do not command many votes!

The rehabilitation of the once prosperous Scottish fishing industry is a more difficult problem which has been aggravated by the decline of the Russian market and by the changed habits of the Scottish housewife who, with the increasing desire for leisure and the cinema, prefers tinned food to cooking. The herring, once the staple food of Scotland, has lost much of its popularity. What is wanted is capital for modern boats and modern equipment, more coöperation among the fishermen themselves, and a vigorous propaganda, already started by Mr. Johnston, to reaffirm the virtues of the herring and other fresh fish.

Given the initiative and the driving force which were once the chief characteristics of the Scottish race, Scotland can save herself. The difficulty today is to know exactly how strong is the national will power and in which direction it will assert itself. The extreme nationalists who want complete separation from England paint in their propaganda a lurid picture of Scottish degeneracy. Certain unpleasant facts are on their side—the continuous migration from the country to the towns, the stunted physique of the urban population, the growth of indolence fostered by long years of unemployment, and the declining influence of the once powerful Scottish Kirk. As in other European countries, the youth of Scotland has lost its faith, and the only

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places of worship that are well filled are those of the Roman Catholic Church whose strength has received a powerful accretion from the Irish immigration.

The true picture, I think, is not so somber. Admittedly some form of spiritual revival is essential to economic rehabilitation. It may well take the form of a united effort for national regeneration. Apart from those Scots who for the sake of their own pockets are content with the present relationship with England, many middle-class Scots, who are at heart nationalist, withhold active support for fear lest self-government deliver them into the maw of Socialism. Others again — and they are numerous — are scared by the extremism and the political rawness of the Scottish National Party. Yet the seeds of a national revival are widespread. The national vigor and the national ambition are impaired, but not destroyed. In the recent war the Scottish fighting man proved on land and sea and in the air that he has lost none of the valor and the endurance of his forebears. He has been well fed and well educated. He has mixed with Americans and Englishmen and has seen other standards of living, some better, some worse than his own. His national pride has been fortified, and now he has come home to conditions in his own country which fill him with resentment. More given to reasoning than the Englishman, he seeks the cause. He is therefore riper than ever for experiment, and in the fullest sense he represents the youth of Scotland. In the increased tempo of change which always follows the cataclysm of a great war events may move fast.

There remains the problem of the attitude of England. Will she listen to reason or will she continue to ignore legitimate claims until she has created a Sinn Fein movement in Scotland? The main danger lies in the character of the English. In many respects they are the most tolerant people in the world; certainly they have been the most successful in the granting of self-government. But their tolerance comes from instinct and tradition and, unfortunately, it rarely begins at home. Their greatest virtue and their greatest vice are their lack of imagination, which gives them unrivalled calm in a crisis but, because they never see it until it is on them, prevents them from preparing for it. Their attitude toward Scotland and the Scots is still that of Dr. Johnson. They believe that England is the paradise for which every Scot longs; that in politics and in business the Scot dominates and exploits the Englishman; that London is almost a Scottish city;

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and that, in fact, by the grace of English tolerance and good will Scotland rules the Empire.

It is Scotland's misfortune that many Scots — and not only Anglo-Scots at that — are lulled into complacency by this form of flattery. For the facts are very different. Scottish ascendancy in England has long been in eclipse, and during the period between the wars there has been a continuous, if little advertised, invasion of Scotland by England. Today, the number of high business and official posts held by Englishmen in Scotland is proportionately greater than similar posts held by Scots in England. The bulk of the Scottish press is owned by London newspaper-proprietors. No Scottish newspaper possesses a foreign news service of its own, and radio is Anglicizing the Scottish vernacular which is the essence of Scotland's national culture.

Tell these facts to an Englishman, and, if he is well disposed, he will laugh in your face with an amused incredulity. Argue firmly with a Churchill or a true-blue English patriot, and he will either be angry or feel genuinely aggrieved that you have so misrepresented English generosity. In both cases the Englishman's vice of self-righteousness at once reasserts itself. His attitude, in fact, is uncomfortably reminiscent of a similar complacency and of similar platitudes expressed at the time of the early agitation for Irish Home Rule when, as Mr. de Valera recently told me, a settlement would have been easy and would have kept him from being where he is today. With its solidifying mixture of Saxon and Gaelic elements, the Scottish character differs in many respects from the Irish. Nor is the historical background of the two countries in any way similar. Nevertheless, English self-satisfaction, if carried too far, can provoke a dangerous situation, for today the Scot has been shaken in his own brand of complacency.

Fortunately, there is perhaps no call for alarmist fears at this stage. Today many Englishmen realize that some form of devolution from London and from the central Parliament is essential to the welfare not only of Scotland but of England herself. In the last resort the issue rests with the Scots. Throughout their stormy history internal dissensions have been their weakness. If they can evolve a policy on which the majority of them agree, based on the principles of "a square and fair deal" and equality of partnership, self-government with the consent of the hitherto dominant partner should be theirs for the resolute asking.

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A FOUR-POWER PROGRAM IN THE CARIBBEAN

By Charles W. Taussig

"THE Chair recognizes the delegate from Barbados." Those words echoing through the large recreational building at the Marine Base in St. Thomas, Virgin Islands of the United States, during the Second Session of the West Indian Conference (February 21 to March 13, 1946) were of deep significance to "colonial peoples" everywhere. The Chairman, by accident of the English alphabet, was the writer, the United States Co-chairman of the Caribbean Commission. The delegate from Barbados, the second oldest colony in the British Empire, was an elected member of the Legislature. On behalf of France, the Netherlands, the United Kingdom and the United States, the Chairman had recognized for the first time in history the right of 15 overseas territories in the Caribbean area, gathered in an international conference, to speak for themselves.[1] That four Powers should be united in a common program on what are usually referred to as colonial matters is a new idea; and that the essence of the program is the encouragement of responsibility by the overseas peoples in "matters of common interest and especially of social and economic significance to Caribbean countries" is no less heartening.

Before discussing the Caribbean Commission and the West Indian Conference, it will be well to review briefly the situation out of which the Commission and this Conference grew.

Commencing in 1935 in St. Kitts in the Leeward Islands, a series of riots and disturbances accompanied by bloodshed spread throughout the non-self-governing territories of the Caribbean. These disturbances reached their peak in 1937 and 1938. They spread to Barbados, Trinidad, Jamaica and British Guiana. Before the riots were ended some 40 to 50 persons had been killed and 479 injured in British territories. Political disturbances about the same time in Puerto Rico resulted in 26 deaths and scores of serious injuries. Both Great Britain and the United States sent commissions, committees and individuals to inves-

[1] The 15 territories are: United Kingdom — Bahamas, Barbados, British Guiana, British Honduras, Jamaica, Leeward Islands, Trinidad, Windward Islands; United States — Puerto Rico, Virgin Islands of the United States; France — French Guiana, Guadeloupe, Martinique; the Netherlands — Curaçao, Surinam.

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tigate. The most notable contribution to an analysis of the background of the trouble was made by the West India Royal Commission under the chairmanship of Lord Moyne, which completed its report just before the beginning of World War II. The Moyne report,[2] suppressed for five years because of the fear that German propagandists might exploit it, has recently been made public and its findings show clearly why the Caribbean colonial region has been seething with social discontent for generations. Although the findings apply officially to British territories only, the facts revealed are significant for many portions of French, Netherlands and American territories.

The Moyne Commission found almost universal unemployment, which was and is due largely to the seasonal character of the Caribbean's leading industry, sugar production. The 1943 Jamaica census confirmed this conclusion when it revealed that 31 percent of that island's workers were totally unemployed. The Moyne report stated that women workers in Barbados, for example, normally received about 20 cents a day when they worked and men received about 30 cents; that even the best cane cutters in Jamaica did not average more than 80 cents a day; and that wages in the eastern British islands were much below the Jamaica standards.

The Commission declared that the people had suffered so long from insecurity, malnutrition and low incomes that their industrial morale had been lowered to a dangerous point. It found that an "admitted reluctance" to work for more than three or four days a week had become "a long-established social tradition." It reported an appalling inefficiency in agriculture, with unsystematic husbandry and low productivity, and found that the erosion of the soil had gone so far that it was "perhaps the greatest danger to West Indian agriculture." It found also, among non-agricultural workers as well as farm laborers, a "lack of a tradition of craftsmanship and pride in good work" which it considered disturbing.

The standard of housing was described as "deplorably low" and the overcrowding acute. "Privacy of any kind is impossible," the Commission said, "when a family of ten or twelve have to sleep in one small room, some on the floor, some under the bed, some in it, and all in a stifling and foul atmosphere." Infant mortality in many British possessions was two to three times the

[2] *West India Royal Commission Report*, Cmd. 6607. London, 1945.

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infant mortality rate in England. The proportion of illegitimacy was stated to be "seldom less than 60 percent and often is in the neighborhood of 70 percent of the population." Over the whole life of the Caribbean area, there hung the shadow of overpopulation which "has contributed more than any other single influence to the formidable increase of intermittant employment in the towns and of unemployment in the country and has thus gone far to nullify the effects of wage advances in improving the standard of living." The indictment of education in the West Indies was almost as severe.

The Moyne Commission ventured into the fields of political criticism and attacked the limited franchise in the British Caribbean colonies. At the time that the Commission made its investigation, not a single British or Netherlands colony had universal suffrage in the election of any assembly, although French and United States Caribbean territories had possessed this right for many years.

Such frank and helpful criticism of Caribbean social conditions was not confined to British territories. The United States made inquiries into conditions in Puerto Rico and the Virgin Islands of the United States. Both Senate and House Committees probed into the administration of Puerto Rican affairs and presented to the American people pictures of suffering and despair. Puerto Rico had been hard hit in 1932 and 1933 by the same depression which engulfed the United States, and the same single-crop economy which created unemployment in the British territories left the masses of Puerto Rico hungry for almost a half of each year. The Chavez Committee in its preliminary report of 1943 found that the average income for a Puerto Rican family with 5.6 dependents was $350 a year and that 35 percent of the families earned less than $200 annually. Wages were higher in Puerto Rico than in the British islands, but the average annual income was still low because of the appalling unemployment and overpopulation. In August 1942 the official estimate of unemployment was 250,000 in a potential working force of about 600,000, and in 1941 some estimates of unemployment had run as high as 46 percent. The Chavez Committee pointed out gloomily that Puerto Rico with its population of about 2,000,000 was, next to Java, perhaps the most crowded place in the world; that there was about one-half an acre of arable land per capita and no prospect of successful migration; and that a continued high birth

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rate coupled with the reduction in the death rate through sanitation and modern medicine had made a population of 3,000,000 by 1960 a probability.

In the territories of the Caribbean the problem of race relationship is basic. It does not always appear acutely on the surface because outward relations are usually courteous; but it is always present. Outside of Puerto Rico, more than 90 percent of the people in the territories are non-white. So the Caribbean race problem is not how to adjust a colored minority to a white majority, but how to eliminate the underlying racial antagonisms between an overwhelming colored majority and a small, economically dominant white minority.

II

The final word of the Moyne Commission's report had scarcely been written when Europe was plunged into the Second World War. By the summer of 1940 the European situation was so grave that the fate of all British, French and Netherlands territories in the Caribbean was in doubt. Representatives at the meeting of Ministers of Foreign Affairs of American Republics held at Havana in July 1940 drew up a plan for provisional administration of Europe's Caribbean possessions by American Republics in the event that Hitler should conquer the home governments.

In March of 1941 the United States obtained 99-year leases for constructing bases in six British Caribbean colonies, and thus the interest of the United States in the improvement of social and economic conditions in the area broadened. Tens of thousands of Americans, both military and civilians, were to live in close proximity with the people of the British colonies. Our bases could not be completely isolated from the life of the community. Practical considerations, including those of humanity, impelled us to take a sympathetic interest in the problems of the British colonies. In November 1941, with the consent of the British Government, President Roosevelt sent a Commission, with the writer as chairman, to make a general survey of the social and economic problems of the British West Indies. Particular emphasis was to be placed upon the relations between the personnel of the bases and the population in general.

The President's Commission was given every facility for study by the colonial governors and the colonial governments. Con-

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tacts were not limited to government officials. This survey group was given an opportunity to meet with business men, labor leaders, planters, church officials, educators, social workers and individuals with no particular group affiliation. Copies of its report were made available to the British Government. The British in turn gave a copy of the then secret Moyne report to the United States. Among the important conclusions of the President's Commission was that many of the problems in the area were of common concern to both the American and the British Governments, and that a joint commission should be created to advise the two governments as to ways and means of meeting these problems. The report was submitted to President Roosevelt and Secretary of State Hull in January 1942 and on March 9 of the same year the Anglo-American Caribbean Commission was created. The joint communiqué setting up the Commission said in part:

> For the purpose of encouraging and strengthening social and economic cooperation between the United States of America and its possessions and bases in the area known geographically and politically as the Caribbean and the United Kingdom and the British colonies in the same area and to avoid unnecessary duplication of research in these fields, a commission to be known as the Anglo-American Caribbean Commission has been jointly created by the two governments. . . . Members of the Commission will concern themselves primarily with matters pertaining to labor, agriculture, housing, health, education, social welfare, finance, economics and related subjects in the territories under the British and United States flags within this territory and on these matters will advise their respective governments. . . . The Commission in its studies and in the formulation of its recommendations will necessarily bear in mind the desirability of close coöperation in social and economic matters between all regions in and adjacent to the Caribbean.

The Anglo-American Caribbean Commission, now called the Caribbean Commission, could not have arrived at a more opportune moment. It went into action immediately. Merchant ships were zigzagging through the submarine-infested Caribbean while hungry families waited for food. When the ships arrived they sometimes brought — empty beer and rum bottles! Hit-and-miss purchasing and the uncoördinated shipping of supplies combined with the Nazi submarine campaign to bring the isolated island populations close to starvation.

The Commission took the lead in organizing a coördinated program for keeping the area supplied with food and other necessities. It helped to establish a system of bulk purchasing. It organized a schooner pool. When the spread of venereal dis-

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ease in Trinidad threatened our armed forces, the Commission united with the local government and with several American agencies in establishing a Caribbean Medical Center which developed effective methods of control. It established a Caribbean Research Council of experts in agriculture, nutrition and health to search for, coördinate and distribute vital information about the area. It sponsored uniform area-wide conferences on forestry, land tenure and quarantine in which some of the independent republics of the Caribbean participated.

The organization of the Commission was further implemented along democratic lines by a joint communiqué issued on January 5, 1944, by the two Governments, which said:

> It remained, however, to broaden the base for the approach to Caribbean problems to include consultation with local representatives — not necessarily officials — of the territories and colonies concerned. The value of such counsel is recognized and provision has now been made for its expression through a regular system of West Indian conferences which by agreement between the United States Government and His Majesty's Government in the United Kingdom is to be inaugurated under the auspices of the Anglo-American Caribbean Commission, to discuss matters of common interest and especially of social and economic significance to the Caribbean countries. . . . The conference will be a standing body; it will have a continuing existence and a central secretariat.

The first session of the West Indian Conference was held in Barbados in March 1944. It considered in detail proposals for raising the nutritional level of the region by local food production and the expansion of fisheries; the reabsorption of soldiers and war workers into civilian life; the planning of public works for the improvement of agriculture; education and housing; public health and quarantine; industrial development; and the extension of regional research. With few exceptions, these proposals were approved by the two metropolitan governments which were at that time members of the Commission, and by the local governments. Out of these recommendations came a statement by the United States and Great Britain of basic economic policy for the region. This was the first time that two metropolitan governments had jointly formulated economic policy for their overseas territories based on the recommendations of representatives of the territories.

In 1945 the United States and Great Britain increased their representation on the Commission from three to four, with the new Commissioners to be chosen from the area. France and the

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Netherlands accepted invitations to become full members of the Commission later that year, and the Caribbean Commission became a truly regional body representing both the peoples of the area and the four metropolitan Powers concerned. Three of the Commissioners, representing the United States, Great Britain and France, are colored.

The wider coöperative endeavor was demonstrated most effectively at the Second Session of the West Indian Conference in February and March 1946. There, for three weeks, 29 delegates from British, French, Netherlands and United States territories in the area met with representatives of the metropolitan Powers to discuss their own economic and social problems. The four metropolitan Powers were represented by the sponsoring organization, the Caribbean Commission. Canada, which has substantial trade interests in the Caribbean, sent an observer. Most of the 15 local territories were each represented by one elected delegate from a local assembly and one delegate appointed by a territorial government. Altogether, almost 6,000,000 people of the Caribbean territories sent their representatives to this Conference.

The discussions and the work of the delegates were not controlled by the metropolitan Powers; in fact, the representatives of these Powers took little part in the Conference's discussions. Of the 29 regular delegates, 23 were natives of the Caribbean area and 16 represented the elected legislatures or portions of local legislatures. Their recommendations for the future of the Caribbean showed imagination, understanding and a high degree of political maturity. They covered a wide range of subjects including the calling of a regional tourist conference and the consideration of a central tourist agency, the standardization of vital statistics, agricultural diversification, the development of efficient local manufacturing and handicrafts, and an area-wide policy of human, plant and animal quarantine. The Conference made strong recommendations on industrial development and proposed a special conference devoted to that subject and to trade and transportation.

On many issues there was healthful and uninhibited criticism, and behind every discussion there was an underlying conviction that the future of the Caribbean Commission and constituent territories must belong to the peoples of the Caribbean themselves. On the whole, this attitude of self-reliance was encouraged

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by the representatives of the four metropolitan governments. The Commission invited the delegates to show how the organization could best serve the area, and asked the representatives to suggest their own agenda for future sessions. One of the principal subjects suggested for discussion at the next conference was the formulation of a Bill of Human Rights and Human Obligations for all peoples of the area. The Conference recommended that the Commission begin a study of this subject in the interim. Meanwhile the delegates recognized the international significance of the Conference by recommending that their report be made available promptly by the four metropolitan Powers concerned to all appropriate international bodies.

III

What concrete reforms have been made? The British Government had been profoundly disturbed by the tragic situation revealed by the Moyne Commission. Largely as a result of that report, Parliament in 1940 passed a Colonial Development and Welfare Act with an original appropriation of £5,000,000 from the United Kingdom Treasury for the colonial empire. The Act was renewed in 1945 and Parliament increased the appropriation to £120,000,000 for the ten-year period ending in 1956. Of this amount £15,500,000 was allocated to the British West Indies to be administered by the Comptroller for Development and Welfare, who is also British Co-chairman of the Caribbean Commission. A condition was attached to the grant that any West Indian colony receiving aid under the Act must provide reasonable standards for the establishment of trade unions and the protection of fair working conditions. Only one Caribbean colony has failed to meet this minimum test.

There has been substantial extension of political democracy in the region. In Britain's largest Caribbean colony, Jamaica, a new constitution was offered and accepted in 1943, and as a result the first election ever held in the British West Indies under universal suffrage took place there in 1944. In response to vocal and sometimes bitter demands from the colored masses, property qualifications have been eliminated or lowered in Trinidad, British Guiana and Barbados.

The advances in Puerto Rico and the Virgin Islands have been considerable. Probably no non-self-governing territories in all history have received so much constructive assistance per capita

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from a metropolitan Power as Puerto Rico and the Virgin Islands since 1933. The assistance has not been limited to money. Today Puerto Rico has social and welfare legislation which is in advance of all other dependent territories in the Caribbean. Under a continuing federal program many millions have been contributed for vocational education, health and agricultural extension.

The people of Puerto Rico have had universal suffrage since 1917 and the Virgin Islands since 1936 in the election of local legislatures. President Truman has declared his determination to let the people of Puerto Rico choose their own political status and to provide increasing self-government to the Virgin Islands. In May 1946 William H. Hastie was confirmed by the U. S. Senate as Governor of the Virgin Islands of the United States, the first Negro ever appointed governor of a United States territory. Monetary help to Puerto Rico since 1933 has run into hundreds of millions of dollars. The labor status of the workers has been elevated by the application of two continental federal labor laws, the Fair Labor Standards Act and the National Labor Relations Act. Similarly, progressive local social legislation has been adopted by the Puerto Rican Legislature under the leadership of Senator Luis Muñoz-Marín and Governor Rexford G. Tugwell. The standards of most of the island's workers have been raised by the encouragement of collective bargaining. Important new industries have been established with the aid of insular funds for the purpose of creating new wealth and diversifying the island's economy.

In the Netherlands territories, the oil-refining islands of Curaçao and Aruba have attained the highest standard of living in the colonial Caribbean by virtue of high wages and steady year-round employment based upon crucial wartime demand for refinery products. Surinam's bauxite helped to relieve the distress of unemployment in that colony. In December 1943, Queen Wilhelmina announced that in the new postwar government of the Netherlands, Surinam and Curaçao would be made equal partners in a new, four-part Netherlands Commonwealth.

A newly announced policy adopted by the French National Assembly in March 1946 would give political status to French West Indian territories as organic parts of metropolitan France. The French people of these territories had already possessed the right to elect their own municipal and General Councils by uni-

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versal suffrage and to send voting members to the French Parliament. In the words of France's new member of the Caribbean Commission, Mme. Eugénie Eboué of Guadeloupe, "The people of the West Indies and Guiana have full French citizenship; they have the same pride in their culture and their development as that which American Negroes feel in being American."

IV

Political reform, financial aid and a progressive atmosphere are essential tools for the task of vitalizing the society and economy of the Caribbean territories; but they have not and cannot of themselves raise living standards adequately. It will take much more than improved political techniques to keep pace with the population increase. Overpopulation *under the present economy* of the Caribbean is the basic problem. Birth control is not a remedy in the foreseeable future. Mass migration is at present impracticable for many reasons, not the least important being that many West Indians do not want to leave their homeland. Some redistribution of population within the area is a possibility and will be studied by the Caribbean Commission.

Standards of living acceptable to the peoples of the Caribbean or to world conscience cannot be achieved through agricultural development alone. The major crop, sugar, does not give year-round employment and the very existence of sugar-growing is dependent in the Caribbean territories on subventions in the form of tariff preferentials and direct subsidy. Mineral deposits of importance exist in only a few territories.

Paradoxically, the one great natural resource of the Caribbean is its vast reserve of manpower. Substantial economic progress will be achieved only when it is recognized that the increasing population of the Caribbean is a potential asset instead of an insurmountable liability. When the West Indian was a slave the lowliest bookkeeper accounted for him on the asset side of the ledger. Now that he is a free man, he is too frequently entered on the books as an economic liability.

At the very outset the Commission saw the need for substantially increasing and diversifying the industries and agriculture of the area. It has continuously given encouragement to the creation of new industries, particularly the processing of locally produced raw materials. The tendency of metropolitan governments in the past to regard the Caribbean exclusively as a

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source of raw materials to be processed abroad and re-shipped to the area is being discouraged. The Commission takes the position that any decrease in specific exports to the area due to local production will be more than offset by a general increase of imports as income and standards of living are increased. The old theory that Caribbean labor cannot produce in competition with labor of the temperate zones is being exploded. Upward of 50,000 West Indian laborers have been brought to the United States annually during the war to work in both agriculture and industry. Their productivity has been encouraging. The United States Department of Labor reported to the Caribbean Commission that "It is interesting to note that the West Indian workers learned mass production techniques quickly although reports indicate that they required a longer training period than domestic workers."

It is expected that the Caribbean Commission will shortly make a survey of the industrial potentials of the region, not only with the objective of having the area supply more of its own requirements through interterritorial trade but of increasing the flow of export products to other markets. The study will include ways and means of training local labor to perform now unfamiliar tasks. Studies will be made of the enervating effect of tropical climate on workers and the means of overcoming this handicap through construction of air-conditioned plants. A modern textile enterprise of considerable size has been operating in Cuba for a number of years where up-to-date techniques such as air conditioning, workers' education, and improved housing have been successful in raising the productivity of tropical labor.

The proximity of all the Caribbean territories to large oil fields indicates that the availability of cheap power should aid the industrialization of the area. The sponsorship of the Commission in the fields of health and nutrition education has as one of its objectives the increasing efficiency of Caribbean labor.

The possibilities of a major improvement in employment opportunities are not confined to the development of factory and handicraft industries. There is a large field of opportunity in creating a demand for services. This is particularly true in the field of tourist development. The Commission has already published a detailed survey of a coördinated regional approach to tourism, which has been favorably received. It is proposed to hold a joint conference of the territorial governments, the metro-

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politan governments and private enterprise in New York in October 1946 with the object of setting up a regional tourist organization and developing the almost unlimited field of Caribbean travel.

Against a background of general reform which is now under way in the territories of the region, the expanded Caribbean Commission enters its fifth year. It is no longer an experiment but a functioning unit of international organization. The Caribbean Commission with its two auxiliary bodies, the Caribbean Research Council and the West Indian Conference, provides a regional coördinating, expediting and advisory service that the individual territories and metropolitan governments alone cannot offer. For the first time in respect to non-self-governing territories there exists an international regional body devoted to economic and social action that crosses political boundaries.

President Truman in a special message to the West Indian Conference said that it was the policy of the United States to encourage the effective application of Chapter XI of the Charter of the United Nations in the Caribbean area. Referring specifically to the Caribbean Commission, he pledged the support of the Government of the United States to the Commission "to the end that the problems of the region may be approached as a whole and not piecemeal." Quoting from the Charter, the President emphasized that "the interests of the inhabitants are to be regarded as paramount." Those are the two major objectives; the four-Powers unity that the Caribbean Commission typifies is the method by which they can be achieved.

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TWO INVASIONS

By Eugene Tarlé

NOT only Hitler himself, but his whole gang, particularly Goebbels, were fond of comparing the Fuehrer with Napoleon. They were not troubled by the utter ludicrousness of drawing a comparison between, on the one hand, a statesman and military genius of the first magnitude and, on the other, a contemptible nonentity and moral freak whose career remains an indelible stain on the history of the German people. What did they find in common between the hero who led his brave regiments through the fields of Europe and Africa, and the cowardly creature who kept out of the way of all danger in his comfortable Berchtesgaden retreat and from there issued orders to "resist to the last drop of blood?"

There were mainly two points, in the opinion of Hitlerite publicists, which Napoleon and his German caricature had in common. First, Napoleon wanted to unite the entire Continent against England; and *der Fuehrer* also proclaimed that when he had subjected all the nations of the Continent to his "New Order" he would lead them against the hated "traders" of London. Secondly, Napoleon held that in order to consolidate his dominion in western Europe he must first square accounts with Russia, and only then would he consider an invasion of England and of her possessions in India; Hitler also held that the political destruction of Russia was a necessary prerequisite for a successful attack upon England. Where the French Caesar had failed, the "superior Nordic race" was bound to succeed: *der Fuehrer* would enter the Kremlin and there proclaim the final victory of the "New Order."

This was what German journalists dreamed of out loud and wrote and published in the crucial months at the end of 1941, just before the first major defeat inflicted on the German robber hordes — the defeat at the approaches to Moscow. That was the first act in the German débâcle. Stalingrad was the second. The demolition of Berlin by Marshal Zhukov's artillery was the third and last. All that remained for the leader of the "superior race" was to choose hurriedly between poison and the noose.

Any comparison between the invasion of Russia in 1812 and that in 1941 can only be superficial, and requires many reservations.

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To begin with, there was a difference in objectives. Napoleon never set himself the insane objective of physically exterminating one-third of the Russian people and reducing the rest to the status of farm animals. He never told his soldiers "everything between the Niemen and the Pacific Ocean belongs to us who are tc become the conquerors of Moscow." He never ranted like the inmate of a mental hospital. He did not dream, even in the event of complete success, of anything beyond peace and a new alliance with Alexander I, with perhaps a joint campaign of French and Russian troops in India. In case of an inconclusive success, Napoleon was prepared to accept most moderate terms: what he was primarily concerned with was a new and solemn confirmation that the continental blockade would be strictly observed. Even in the beginning of the campaign, when he stood in Vilna at the head of an excellently armed force three times the size of the Russian Army, and when he had reason to exult in his protracted rule over nearly the entire European Continent, he refused to listen to the Poles who wanted him to proclaim the incorporation of Lithuania in the Duchy of Warsaw. The reason for his refusal was that he did not want to offend Russia; he did not want to cut off the way to an early reconciliation with Russia.

On the other hand, the cruel, infamous and predatory aims of the German horde that attacked Russia in 1941 had been clearly and repeatedly set forth by Hitler and the twenty-odd criminals now in the dock in Nuremberg. Those aims alone would have been sufficient to inspire the Russian people with implacable wrath. After the expulsion of Napoleon, there still might have been some hesitation in Russia as to whether to march on to liberate western Europe. As a matter of fact, we know that even the main hero of the Russian victory, Field Marshal Kutuzov, when he reached the Niemen in December 1812, was at first loth to pursue the wretched remnants of the fleeing French detachments. But in 1941–1945 there could be no such hesitation on our part. There was one set purpose: To crush the German Fascist viper in its nest in Koenigsberg, in Berlin, on the Oder and on the Elbe! To finish off the fiends who flung Russian children into wells, who set fire to Russian villages and burned their people alive!

Though there is a vast difference between the invasion of 1812 and that of 1941–1945, they did have one feature in common. Neither the French in 1812 nor the Germans in 1941–1945 were able to establish effective rule in occupied territory outside the

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areas over which their armies were actually moving. In 1941–1945, the Germans were unable to wipe out the Soviet authorities even in Belorussia and the Ukraine, even in the Smolensk and Novgorod regions where they maintained huge forces — so deeply rooted in the people is the Soviet system. In hundreds upon hundreds of towns and villages far behind the enemy lines, people rose to defend their country and their government. A manifestation of the great strength of the Soviet Union was that its Army and people acted as one.

Here we come to another characteristic feature — the rôle which partisan warfare played in events during the two invasions. In 1812, the partisan movement was most in evidence during Napoleon's retreat, when partisans kept hot on his heels. In the recent war, the partisan movement began literally in the first days of the German invasion, and partisan detachments were made up not just of scores or hundreds of people, as in 1812, but of many thousands. Partisans waged war fiercely behind the enemy's lines. They controlled large areas into which Germans never ventured. They launched attacks upon large German-held cities, exterminated their garrisons, blew up trains. Russian partisans helped Kutuzov in 1812; but the aid which Soviet partisans rendered our armies in 1941–1945 was far greater.

There is another interesting fact long noted in Russian historical literature: in 1812, Napoleon's purely French troops behaved relatively decently toward the civilian population. It was the German vassals whom Napoleon brought along — Prussians, Westphalians, Saxons, Bavarians and Wuertembergers — that mostly indulged in pillage. The behavior of his picked contingents — the Guards — was above reproach. But Hitler's "picked" units — the "Elite" SS troops — were the most sadistic murderers of Russian women and children. During the armistice in 1813, a few months after the invasion, Russian and French officers banqueted together, the Russians toasting the "gallant French Army," the French replying with toasts in honor of the "Russian heroes." Nothing of the kind was even remotely conceivable in our relations with the Hitlerite fiends. When we defeated them, we made them take off the military uniforms which they had disgraced.

Napoleon was a conqueror, not a marauder; he was a statesman, not the chieftain of a robber band; he was a lawmaker of genius, not the head of a gang of criminals. Lord Rosebery said in his

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book, "Napoleon: The Last Phase," that Napoleon had boundlessly extended what before had been regarded as the limits of human intelligence and human energy. The most that could be said of Adolf Hitler is that were it not for him we would never have found out to what depths of moral degradation and intellectual poverty the biped called man can sink.

We Russians know that our gallant allies in the war which put an end to Hitler — Americans and English — fully agreed with us on the absolute impossibility of tolerating the further existence of the Hitler gang on our planet. The great American President, Franklin D. Roosevelt, whose sudden death was such a calamity for all freedom-loving mankind, left the nations of the world a legacy of irreconcilable hostility against the monster of Fascism. The Russian people, who have inflicted mortal blows on all who assailed their national independence — Poles in the seventeenth century, Swedes in the eighteenth, Napoleon in the nineteenth and Germans in the twentieth — revere Roosevelt's memory, not because of America's help in war, but because he laid stress on continuing the struggle against Fascism, which, as he foresaw, has no intention of dying along with Hitler's Germany. President Roosevelt was not only a great statesman but a profound thinker. He realized better than many of his contemporaries that Germany differs from France in this respect: whereas after Napoleon's defeat no plans of world domination were ever again harbored in France, Germany has not given up her criminal dreams even after two terrible defeats. Roosevelt's memory enjoins us all to be vigilant. As long as world Fascism is alive, the danger of a new shambles has not been removed.

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ITALY AT WORK: ACHIEVEMENTS AND NEEDS

By Sergio Fenoaltea

IT IS difficult to gauge accurately the material losses which Italy suffered as a result of the ruthless German occupation, the vicissitudes of the fight put up by the partisan and patriot formations, the physical destruction caused by the yard-by-yard battle between Allied and German troops the length and breadth of the peninsula, and the systematic looting carried out by the Germans during their final retreat.

What figures we have are overwhelming. Two million and a half single-room units of housing were destroyed (half a million more than the total number built after 1931, or 7 percent of the total existing just prior to the war). Railroad transportation facilities were reduced by 38 percent, an especially serious matter for Italy with her long north-to-south lines of communication and the economic differences between the agricultural south and the industrial north. Nine-tenths of the merchant marine is gone; 30 percent of the livestock is gone; the damage to agriculture comes to 312 billion liras at the current valuation. Stocks of raw materials were exhausted when liberation came. The bank-note issue, which in 1938 was 22,496 billion liras, has risen to about 300 billions, plus nearly 100 billions in Allied military currency. Meanwhile, the national income, which amounted to 116 billion liras in 1938, dropped to less than 70 billion liras (figured at their 1938 value) in 1945.

Figures, however, do not give a sufficient idea of the complexity of the problems facing the Government and people of Italy. War brought to the surface tensions which for decades had lain deep in the national consciousness. The problem of the relationship between north and south, for instance, could not fail to become more acute during the long interval after the initial Allied landings when the two regions were cut off from one another. One economic consequence of this separation was the disintegration of the price system. Two quite different price structures came into being above and below the dividing line, accompanied by inflation in varying degrees. Prices were not integrated even within the zones, because the transportation crisis so isolated provinces, regions and towns that each tended to become a law

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unto itself. The price of foodstuffs varied enormously from one locality to another: flour cost 10 or 20 times as much in one town as in another 50 miles away.

This situation, of course, stimulated the growth of the black market. There was a general breakdown of government controls; and in the German-occupied zone breaking of the law was often a proof of patriotism. Of course many lawless acts inspired by selfishness were passed off as patriotic. In the general confusion the borderline between the legal and the illegal became increasingly vague and there was produced a general frame of mind inclined to insubordination and resentful of everything that smacked of rules and regulations. The work of reconstruction called for individual discipline and civic conscience, and this breakdown of morals greatly impeded it.

In terms of industrial assets, Italy came out of the war in fairly good shape, but her economy was disrupted and paralyzed and she urgently needed food and materials. The first tasks were to get transportation moving, to lay in raw materials and to avoid monetary chaos. The first objective of the Italian Government was to shore up the country until economic recovery could get underway; the second was to lay the groundwork of recovery. Major problems of the first category were food, unemployment and finances.

The food shortage was especially grave. In 1945 the production of grain in Italy was 50 percent less than normal, oil 25 percent less and sugar 90 percent less. A subsidiary difficulty in connection with the lessened production of foodstuffs was getting the farmers to bring their produce to the government pools instead of hoarding it. The government is still making a great effort to get the grain into these pools, but the black market cannot be wiped out until the general situation improves, until there are more consumers' goods on the market, and until monetary stabilization makes it possible to set and maintain fair purchase prices over a period of months. The serious shortage of food cannot be overcome without imports; indeed, had it not been for the aid of UNRRA and the credits conceded by the FEA, the position of the Italian people would truly have been tragic. Even with these two sources of help, there is no possibility of raising the calory content of the average Italian food ration above 1,700 (the Emergency Economic Committee for Europe has reported that 2,000 calories a day are the essential minimum for an adult), and

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the present 1,700 calories are not guaranteed for the future, since the UNRRA program is slated to end in a few months. One cannot foresee how starvation is to be prevented after that.

Unemployment is a problem inextricably bound up with the question of general reconstruction; nevertheless it absolutely had to be met with improvised and temporary solutions. When northern Italy was completely liberated, manufacturing equipment and machinery were found in unexpectedly good condition, but reserves of raw materials were almost completely exhausted. Even though little could be produced, it was quite impossible for the democratic government, immediately after the liberation, to allow a mass dismissal of workers who had been on the job in industrial plants up till then. An agreement with both employer and employee groups by which wages were paid in part by the government kept tens of thousands of workers at their jobs. Yet employers could not continue indefinitely to pay wages without receiving any return. In January of this year a new agreement was reached, allowing gradual dismissals, the effect of which has not yet been felt to any degree. On the other hand, a large-scale public works program set in motion by the government has to some extent absorbed the surplus labor. But, of course, there are obvious limits to what the government can accomplish by deficit financing. In spite of all that has been done, the number of unemployed is calculated at about 2,000,000. The problem of unemployment has, in other words, been ameliorated, although not resolved, with palliative measures which cannot be protracted indefinitely. Only a revival of industrial activity offers a solution.

In the field of finance, also, the government has sought to gain time while preparing well-laid plans for eventual recovery. Under such disturbed economic conditions, with administrative machinery badly mangled and a deficit of 300 billion liras, one of the treasury's immediate objectives was to stem the flow of paper currency. This objective was attained by means of a special loan, by borrowing from the banks and from sales of government bonds. Naturally these measures cannot be considered remedies for financial difficulties.

There was no use even thinking of monetary stabilization as long as general economic conditions were so chaotic and the government budget was so abnormal. Nothing could be done save halt the printing of paper money and wait until the arrival of goods from abroad and a general improvement in public finances

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should bring a more normal scale of prices and thus furnish a basis for stabilization.

At the time of the Allied landings, exchange was set at the rate of 100 liras to the dollar and 400 to the pound sterling. This rate was arbitrary, and it would be hard to prove that even at this time it reflected purchasing power parities among the currencies involved. In any case it marked the beginning of the general rise in prices in Italy. The usual vicious spiral followed. Prices skyrocketed and were soon so high in proportion to prices elsewhere that Italian exports could not possibly compete in foreign markets. Hence in January of this year the Government substantially modified the rate of exchange, setting the lira at 225 to the dollar and 900 to the pound sterling, though even this devaluation was not sufficient to bring Italian prices in line with those prevailing internationally. Recent Italian regulations therefore permit exporters to sell on the free market — and hence, at rates higher than the official ones — 50 percent of the foreign currency proceeds of their exports, while the other half must be sold to the central bank at the official rate. Ultimate buyers of foreign currency however must use it within 90 days for the purchase of essential imports specified in an official list. It must be added that Italian currency quotations on the free market have in recent months exhibited a considerable degree of strength and resiliency.

The Government wisely directed its first reconstruction efforts to the restoration of hydroelectric plants and transportation facilities, particularly railroads, two branches of industry which are essential to a revival of economic activity. In the hydroelectric industry, fortunately, it was possible to prevent too great a loss of production. The joint production of a number of power plants, accounting for 89 percent of the total national production, was 3.244 billion in the first three months of 1946. This compares fairly well with the production for 12-month periods in previous years, which was 13.143 billion kilowatt-hours in 1938, 17.734 billion in 1941, 11.795 billion in 1944, 11.289 billion in 1945. We must note that the lack of coal has naturally created a demand for electric power where solid and liquid combustibles were formerly in use.

The reconstruction of the railroads has made notable progress. By the end of January of this year single and double-track lines, whose mileage had fallen from 16,582 kilometers in March 1943 to 11,659 kilometers in July 1945, had risen to 14,210 kilometers.

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There has also been an increase in the number of available locomotives, which had fallen from 4,971 in March 1943 to 2,825 in July 1945. In January of this year 3,081 locomotives were in service. But the most striking figures are those relating to train-mileage, which had fallen from 14,030,443 kilometers in February 1943 to 3,585,305 in June 1945; by December the total had risen to 5,266,710.

Some progress has been made even in the reconditioning of the merchant marine, which the war had almost annihilated. From May 1945 to February 1946, 124,797 tons of shipping were made available by new launchings and repairs.

The progress made in the field of transportation has considerably changed the general aspect of conditions in Italy. Increased facilities for travel, freight handling and circulation of information have integrated business activities. As a result, there has been a general leveling up of prices (exclusive of shipping costs) and a renewal of production based on available raw materials. From a psychological point of view nothing has done more to improve morale and to mitigate the feeling of abnormality that followed the war than this restoration of communications.

In the field of production, as in that of transportation, the period since the liberation is characterized by the rehabilitation of plants which required only minor repairs in order to function efficiently. Because of the sudden ending of the conflict in the north, and the immediate reconstruction which was undertaken in this important industrial region, productive capacity is almost up to par — perhaps 90 percent of what it was before the war. But actual production is still at a very low level: in 1945 the production of artificial textile fibers, for example, which was 145,500 tons in 1939, fell to 3,612 tons in 1945. In general, however, thanks to raw materials and coal supplied by UNRRA, production is beginning to revive fairly rapidly. But in this field, as in foodstuffs, things will take an abrupt turn for the worse when UNRRA aid comes to an end. Unless other financial support is found, we must expect that at the end of 1946 production will fall to 30 percent of what it was before the war.

Agricultural production is correspondingly low. The wheat output in 1945 (when drought added to the ravages of war) fell 38 percent below the average for 1940–1943 and 34.1 percent below what it was in 1944. The production of beans fell 68 percent and 51.1 percent in comparison to the same two periods; and that of

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potatoes 49.8 percent and 35.4 percent. The 1946 harvest promises to yield 60,000,000 quintals (6,600,000 tons) of wheat as compared to the average for 1936–39 of 70,000,000 quintals.

The basic problems facing Italy — financial rehabilitation and production — remain, then, unsolved. There are two salient features to the financial problem: the budget and stabilization of the lira. Public expenditure is presently met by means of short-term borrowing. This is vastly better than the printing of paper money, but there are dangers in such a course which must sooner or later be eliminated by the funding of this vast floating debt. The debt comes to about 630 billion liras out of a total public debt of 970 billion. These figures are enormous, but they must be considered in relation to the lowered value of the lira. It would be rash to prophesy when and how the general government deficit can be eliminated. Effective action in this direction depends on the tax-paying ability of the country as a whole, and this in turn depends on the general revival of economic life. If recovery is fast, government finances can be put in order without too much delay. The technical monetary situation is fraught with uncertainty. It is not only difficult to say how the budget will be balanced and at what level prices will be stabilized, but under current conditions in the Italian market it is hardly proper to speak of price levels at all. The shortage of commodities is so great a factor that it upset all calculations. In some cases mere notice of a limited UNRRA shipment has sent prices crashing. Any estimate of the levels of price stabilization can only be guesswork.

After the recent monetary distress, the price structure itself is most disorganized. In spite of the tacit agreement among all political parties, an increase in salaries and wages has been unavoidable. Although the raises have not been sufficient to compensate their beneficiaries for increased living costs, they have been more than enough to upset a delicate financial balance. The cost of living is perhaps 20 times what it used to be, while salaries and wages are only five and ten times greater. Yet, even so, these raises have too greatly increased production costs, particularly since management was obliged to pay a greater number of workers than it actually needed, in the manner noted above. Obviously, the problems of food, unemployment and finance cannot be solved until production is really under way. And the peculiar nature of Italian economy, plus the special handicaps under which it is presently laboring, make the problem of production

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primarily a task of fitting Italy into the framework of international trade again.

In order to understand this, it is necessary to remember that Italy's whole economic existence depends on foreign trade. Except for sulphur and mercury, Italy has no raw materials — no coal, iron, tin, nickel, oil, and (using the term "raw material" in the widest sense) no grain. Of the total imports of the year 1938, raw materials accounted for 47.5 percent. This means that essential imports simply cannot be limited. A large portion of products which Italy exports are made from raw materials which Italy does not possess; and these materials are equally necessary for the manufacture of goods for domestic use. Even the present impairment of agricultural production is due less to war damage than to the lack of imported fertilizers. The breakdown of foreign trade was in itself sufficient to paralyze Italy's economic life.

Any revival of production, then, depends on imports, above all the import of coal, which is the oxygen in the lungs of Italian economy. And imports, in turn, depend on the extension of foreign credit. Indeed, foreign credit — in particular, dollar credits — are necessary not only to get production going but to make possible real reconstruction which will, among other things, allow Italy to resume the payment of interest on loans. Without foreign credits Italy cannot make the adjustments entailed by the loss of former markets and the necessity of finding new ones. (Germany alone, during the last ten years, took from 30 to 60 percent of Italian exports.) Whether the problem of Italian economic revival is examined from the point of view of immediate or long-term needs, it is plain that dollar credits and other credit facilities are the primary necessity.

Clearly, Italy is not moved by an aggressive design on foreign markets, but by the need to increase the imports indispensable to her national economy. Even during the ill-starred Fascist policy of autarchy, Italy's exports fell considerably short of her imports and the balance of payments was settled out of the proceeds of emigrant remittances, the tourist industry and the merchant marine. Present conditions the world over will continue to keep the revenue from these three sources very low during the next few years. Moreover, reconstruction needs will call for an increase in imports, to probably 1.2 billion dollars per year, as compared to $800,000,000 in 1938. It is easy, therefore, to see that exports are a life-and-death matter for Italy.

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Three factors are in Italy's favor in this economic task: available manpower, technical ability and a spirit of enterprise. But these will be of no avail without a fourth element, which does not depend on Italians alone — a reasonable system of world trade. Much can be done in Italy to develop handicrafts and manufacturing of a kind that cannot attain the proportions of mass production but that calls for taste and ability. But an increase in the volume of exports of this type depends in large measure on the degree of postwar prosperity in various European and non-European countries. There is much to be done, too, to step up the export of traditional Italian foods and wines. In order to export enough to balance imports, however, Italy must increase the export of basic industrial products, especially those involving comparatively large labor costs. Under normal conditions, when a fair share of raw materials is obtainable, Italian industry can accomplish much along this line, especially if the raw materials can be purchased where they cost least. If the agency that regulates international trade can give Italian manufacturers a reasonable assurance that tariff barriers will not block their way, Italian industry will be able to organize sufficiently large-scale production to meet competitive selling prices and Italy can become an important center of manufacturing and finishing. Italy has it within her power to make a notable contribution of this kind to the community of nations.

This, then, is the course that economic reconstruction in Italy should follow, aided by some form of international coöperation. Such an industrial revival, bringing with it an equilibrium in balance of payments and giving employment to a large amount of manpower (Italy's 5,000,000 industrial workers form 29 percent of her total labor population), would be the best and perhaps the only guarantee against the return of a drive for economic self-sufficiency. Needless to say, no such solution is possible unless the major exporting Powers, chief among them the United States (which has taken the lead in problems of world trade and inescapably bears the heaviest responsibilities), are willing to accept an adequate amount of imports. The surprising vitality and capacity for work which the Italian people have demonstrated after their recent catastrophe are not in themselves enough to ensure success in the task of rebuilding the Italian economy. Italy's problem is bound up with the international economic problem.

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SPAIN AS AN AFRICAN POWER

By Robert Gale Woolbert

ON MARCH 4 of this year the Governments of the United States, the United Kingdom and France issued a declaration in which they expressed the hope "that leading patriotic and liberal-minded Spaniards may soon find means to bring about a peaceful withdrawal of Franco, the abolition of the Falange and the establishment of an interim or caretaker government under which the Spanish people may have an opportunity freely to determine the type of government they wish to have and to choose their leaders." At the same time the State Department released the texts of fifteen captured documents — German, Italian and Spanish — which demonstrate beyond the shadow of any doubt that in the summer and fall of 1940 Franco was thoroughly committed to entering the war on the side of the Axis. That Spain in the end did not go to war was justified by Franco as the inevitable result of her dire shortage of foodstuffs, oil products, transport facilities, munitions — in short, of practically everything needed to wage modern war. The Caudillo also complained (in his conversation of December 7, 1940, with Admiral Canaris, then chief of Hitler's foreign espionage organization) that a Spanish attack on Gibraltar would immediately result in an Allied occupation of the Canary Islands and of Spain's possessions in the Gulf of Guinea, thanks to Britain's continued control of the seas.[1] In other words, he cited Spain's overseas possessions as a source of weakness in her strategic situation.

We are not permitted, however, to deduce from this fact that the Franco régime was anti-expansionist. Quite the contrary, as we see from Document No. 1, a memorandum of the German Ambassador in Madrid, dated August 8, 1940. In it he stated that among the conditions which Franco had set for Spain's entry into the war was the fulfillment of certain territorial demands: the acquisition of Gibraltar, French Morocco and the Oran region in western Algeria, as well as the enlargement of Rio de Oro and the colonies in the Gulf of Guinea. A week later, in a letter to Mussolini, Franco explained that northwest Africa had for centuries been a zone of "Spanish aspirations and claims traditionally maintained throughout our history," and that to these "legitimate Spanish aspirations are added in this case the requirements for security, necessitating the elimination of a weak and thinly protected frontier and the assuring of our communications with the Canary Island group."

The Falange has never made any mystery of its imperialist zeal.[2] In this it has merely followed the pattern already set by its Fascist counterpart in Italy — a pattern that seems to be an inevitable component of the exaggerated nationalism inherent in every Fascist movement. In the case of both Italy and

[1] *Cf.* Document No. 11. In Document No. 5, a letter from Franco to Hitler dated September 22, 1940, the Caudillo had already declared that "the possibility of a surprise attack on the Canary Islands by the English in order to create a naval base . . . has always been a worry of mine."

[2] *Cf.* Thomas J. Hamilton, "Spanish Dreams of Empire," in FOREIGN AFFAIRS, April 1944, p. 458–468. Sir Samuel Hoare (Lord Templewood) quotes Franco as declaring, in a public speech delivered on July 18, 1940, that: "It is necessary to make a nation, to forge an empire. There remains a duty and a mission, the command of Gibraltar, African expansion . . ." (*New York Times*, April 21, 1946).

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Spain the zealots of expansion indulged in lurid dreams of reviving past empires — in the one instance, of Rome; in the other, of Charles V and Philip II. In both cases, also, the chances of bringing about any such grandiose imperial revivals were practically nil. Even an overwhelming Axis victory in Europe would not have opened the path to a new Roman Empire, for Hitler had no intention of sharing the hegemony of that continent with his Italian partner. The Fascist hierarchs were quite well aware of this. In March 1934 il Duce asserted that "Italy has no future in the west and north. Her future lies to the east and south — in Asia and Africa." Hence the war on Ethiopia and the plans for using Libya as a base for conquests elsewhere in North Africa and the Near East. Franco and the Falange likewise knew that the restoration of the Spanish empire in America was a foolish dream unless the United States were first obliterated as a Great Power and unless the Latin American peoples completely foreswore their independence, won more than a century ago. Even in the unlikely event that the first of these conditions were fulfilled, there was no reason to believe that the second would ever come to pass. Spain, like Italy, must therefore seek imperial glory in Africa — and also like Italy, only as an accomplice in the Nazis' scheme of world conquest. The irony of this historical imperative lay in the fact that it was precisely in Africa — in Morocco, to be specific — that the ambitions of Germany, Italy and Spain clashed and in the end nullified each other. For Mussolini's unwillingness to let Spain have French Morocco is believed to have been an important factor in Franco's final decision to remain "non-belligerent."[3]

The outward evidences of a revived Spanish interest in Africa during recent years have been various. Franco and several of his generals acquired their early military experience and reputations in Morocco. They are fully aware of the decisive rôle played by Morocco and by Moroccan troops in the critical days at the beginning of the Civil War in 1936. They know how important these Moroccans have been in maintaining order in Spain. They are confirmed *Africanistas*. This is particularly true of el Caudillo, whose bodyguard consists of picked Moorish troops. In his letter to il Duce (see above) Franco speaks of "the grave tensions that we, along with our Moroccans, have been bearing since our Civil War." This enthusiasm is not shared by the average Spaniard, for whom African adventures have in the past almost invariably spelled unwanted military service, higher taxes and national humiliation. Since the end of the Civil War the Spanish imperialists have tried valiantly to counteract this popular hostility and to arouse a pride in Spain's imperial past, an interest in her present modest colonial empire and a faith in its glorious future.

What effect this campaign of popular education is having on the Spanish people one cannot say. One must record, however, that within the last six or seven years there has been a remarkable renaissance in the serious study of the history, human geography, ethnography, economic resources and political

[3] Hamilton, *op. cit.*, p. 466. We also learn from Franco's letter of September 22, 1940, to Hitler (Document No. 5) that Germany desired in Morocco not only "a share in the raw materials of this area" but "the establishment of an enclave for German military bases by occupying both the two harbors of the southern zone." Franco rejected this latter suggestion as "unnecessary in peacetime, and superfluous in wartime." Hoare's memoirs underline the fact that Franco feared Hitler's overriding ambitions in North Africa.

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organization of the Spanish possessions in Africa. A leader in this activity is the Instituto de Estudios Políticos of Madrid, which has published a number of volumes on Spain's overseas possessions and sponsors the monthly review *Africa*. There is also a *Liga Africanista Española*. The books, monographs, pamphlets and periodical articles on the Spanish colonies, coming out in an ever-widening stream, are on the whole at a fairly high level of scholarship and constitute a valuable addition to the world's store of knowledge about some of its lesser known regions. This literature is well printed — in contrast to most of the published matter produced by the rest of Europe since 1939. Of course its stimulus is largely artificial and its cost must in considerable part be borne by the Spanish treasury. Here again the parallel with Fascist Italy suggests itself. Under the Fascist dispensation, hundreds of volumes, thousands of periodical articles, and an impressive number of government documents and monographs on Italian Africa — some of them luxuriously illustrated, printed and bound — saw the light of day. Many of them were interesting, some were important, but few of them ever sold in large enough editions to make a profit. The state or the Party, that is to say, the Italian taxpayer, paid the difference. The Spanish imperialists have also adopted the devices and lingo of geopolitics. They have discovered that a map and a graph can be very telling weapons in ideological warfare and they are making the most of it.[4]

II

The tradition of Spanish intervention in North Africa goes back to the thirteenth century when the rulers of Castile began mixing, sometimes militarily, in the affairs of Morocco. By the Treaty of Monteagudo (1291), Castile and Aragon agreed to divide their spheres of eventual influence in North Africa at the Muluya River, Castile taking the zone to the west and Aragon that to the east.[5] Later, Portugal's paramount interests in the Kingdom of Fez were recognized: the Portuguese took Ceuta in 1415 and Tangier in 1471. However, in 1497, five years after the final destruction of Moorish power in Spain, the Spaniards occupied Melilla. It was perfectly natural that the impetus of the reconquest should push on across the Mediterranean. During seven centuries of Moslem rule Spain and Morocco had enjoyed the closest political ties, and for the Spaniards to carry the redeeming work of their crusade into Africa did not present itself to men's minds as in any way an extraordinary thing. The Spanish have a saying "Africa empieza en los Pirineos" — Africa begins at the Pyrenees.

In 1505 Spanish troops took Mers-el-Kebir. In the fertile imagination of the great Cardinal Ximénez de Cisneros this was to be the first step toward the creation of a vast Hispano-Mauretanian empire. Four years later Oran was captured, and thereafter Algiers, Bougie, Tunis and Tripoli were taken and held for varying periods of time. But Charles V was too deeply enmeshed in European politics and in his struggle against the Protestant Reformation to

[4] Examples of their handiwork are: J. Vicens Vives, "España, Geopolítica del Estado y del Imperio" (Barcelona, 1940) and J. César Banciella y Bárzana, "Espacio y Economía" (Madrid, 1945).

[5] This stream now marks the eastern boundary of the Spanish Zone in northern Morocco.

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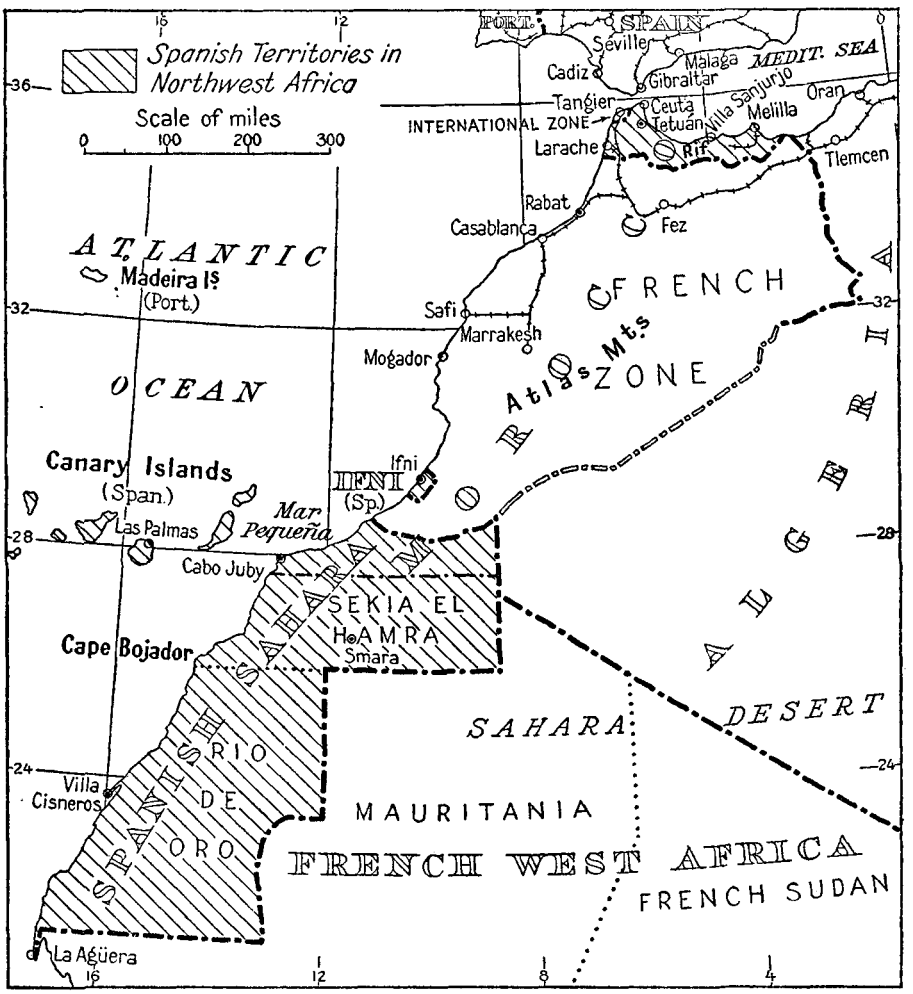
be able to apply more than a fraction of his attention to these marginal adventures in the Barbary States.[6] The Spanish possessions in North Africa hence languished and, with the exception of the Oran-Tlemcen region, fell one after another to the advancing power of the Ottoman Turks before the end of the sixteenth century. It is an article of faith with some Spanish historians that their country thus let slip a marvelous opportunity to become a great



African Power. The somewhat precarious hold of Spain on Oran endured until 1792, when that city was abandoned by the government of Carlos IV. This was not, however, the end of Spanish interest in the region. As we noted above, one of Franco's territorial demands was precisely the Oran zone — a demand based not only on history but on the fact that in the Department of Oran there

[6] It must also be remembered that the colonizing enthusiasm of Spain was then being directed into the far more promising lands of the Americas.

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are estimated to be some 350,000 inhabitants of Spanish birth or ancestry.

Since the abandonment of Oran, Spanish territorial interests in North Africa have been confined to Morocco. The city of Melilla, taken in 1497, has already been mentioned. Ceuta, nestling at the base of the southern Pillar of Hercules, was ceded by Portugal in 1668. The diminutive islets of Peñón de Vélez de la Gomera and Alhucemas have belonged to Spain since 1564 and 1673, respectively. The slightly larger Chafarinas Islands, near the Algerian frontier, were acquired in 1848. Ceuta, Melilla and the three island possessions are commonly referred to as the Presidios, or the Plazas de Soberanía. In them the Spanish state is fully sovereign and they are thus on quite a different juridical footing from the two Zones of Protectorate, about which more below. All five of the Presidios have at one time or another been used as penal colonies.

Ceuta and Melilla have been the beachheads from which Spain has moved inland. This process was initiated in the "African War" of 1859–60. During that short campaign the Spanish captured Tetuán and their commander, the famous General O'Donnell, became the Duque de Tetuán. Great Britain, fearful lest Spain become too firmly entrenched on both sides of the Strait of Gibraltar, vetoed any further advance and in the treaties closing the war Spain merely expanded her Ceuta holding slightly and regularized her occupation of Tetuán. The rest of northern Morocco continued, as before, to enjoy an endemic state of chaos. By the end of the century it was obvious that the country was ripe for partitionment among the Powers. In 1902 the Spanish and French Governments drew up a draft treaty dividing the Sherifian Empire between them. Among the parts assigned to Spain were the ancient kingdom of Fez and other areas in the north, as well as a wide zone in the south including Agadir. The Maura ministry in Madrid, unwilling to antagonize Britain, refused to sign this very favorable arrangement — thereby giving the Spanish imperialists another "lost opportunity" over which to lament. Subsequent agreements, culminating in the Franco-Spanish Convention of November 27, 1912, drastically reduced the area of the two Spanish Zones to approximately their present proportions.

During the First World War, German agents encouraged the Moroccans, who of course were nothing loath, to make as much trouble as possible. For this and other reasons, Spain's occupation of the Zones assigned to her proceeded slowly, particularly in the mountainous Rif country where Abd-el-Krim was vigorously contesting Spanish penetration. In July 1921 occurred the military disaster at Anual, which led directly to the dictatorship of Primo de Rivera. By 1924 the Spanish troops operating against Abd-el-Krim had been driven back to the coast. At this point the Riffian leader made the mistake of invading the French Zone and this resulted in the Franco-Spanish Agreement of July 26, 1925, which provided for joint operations against the rebel under the command of Marshal Pétain. By 1927 the Rif had been pretty well pacified and has remained so. Under the Republic, Spanish Morocco became a focal point for anti-Republican conspiracy, and it was in Melilla that the military revolt was launched on July 18, 1936.

At the time of the joint military operations against Abd-el-Krim in 1925, Spain permitted French troops temporarily to occupy certain areas on her side of the frontier in northern Morocco. At one point this French occupation

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even exceeded the agreed line. Since then, Spain has unsuccessfully sought to get the boundary delimited exactly and to persuade the French to evacuate those areas which, according to Madrid, they are occupying illegally.

III

The government of Spanish Morocco is a complicated affair. The Spanish authorities do not make it any less so by constantly changing the organization of both the central colonial administration in Madrid and of the various local organs in Africa. In theory the five Presidios, being integral parts of Spain, should be governed separately from the Protectorates. At times the municipality of Ceuta has formed part of the Province of Cádiz, while Melilla has belonged to the Province of Málaga. But they have not enjoyed this status continuously; during the thirties, for example, they were put under a Civil Governor, who, however, appears to have been no other than the High Commissioner administering the two Zones of Protectorate. In any case, the Comandancia Militar of Spanish Morocco is responsible for the defence of the five Presidios, which are also served by a number of technical offices created primarily for the Protectorate. The five Presidios comprise only 82 square miles, compared with the 18,000 square miles under protectorate.

As one can see from the map, the Northern and Southern Zones of Protectorate are simply fringes of the French Zone, which is by far the largest and best part of the country. Though the Sultan is nominally sovereign in the Spanish Zones, he has in actual fact little or no real authority there, for his deputy, the Khalifa, is chosen and directed by the Spanish Government. Under the Franco régime in particular, the Khalifa has paid scant heed to his theoretical sovereign, who is regarded as a prisoner of France. The Khalifa is assisted by a Majzen (analogous to the Makzen in the French Zone) headed by a Grand Vizier and containing Ministries of Justice and of Habous (religious property). The Khalifa also exercises religious jurisdiction over the Moslem inhabitants of the Presidios. At Cabo Juby, capital of the Southern Zone, the Grand Vizier is represented by a delegate and various lesser officials.

The real ruler of Spanish Morocco is the High Commissioner, whose seat is at Tetuán and who in recent years has also been military commander. In addition, he acts as governor-general and military commander for Ifni and the Spanish Sahara. Unless overruled by Madrid, his word is law. In practice a considerable proportion of the civil administration is left to native officials. The natives' right to participate in municipal elections, admitted under the Republic, was withdrawn by the Estado Nuevo. A *dahir* issued in 1940 also put the Jewish communities, which had been enjoying certain rights of self-government, under direct governmental supervision. In general Spanish rule has interfered relatively little with the customs and beliefs of the natives. We are, indeed, treated to the spectacle of a Spain, long noted for her persecution of the Moors, actually going out of her way to preserve the religion, culture and historical monuments of her Moslem protégées. The fact that the Moroccans are first-class fighting men is probably not without significance here.

The population of the Northern Zone exceeds 1,000,000, all of them Moslems except for some 50,000 Europeans and 15,000 Jews. The Moslems are of Berber and Arab origin, considerably mixed in the western lowlands, less so

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in the Rif where the Berber type is still very evident. Differences in language also exist among the natives, while in the cities Spanish is widely heard. The European settlers — Spanish, French and Italian — are congregated almost wholly in the urban centers, for attempts to put colonists on the land have met small success. This failure is not due to unfavorable environmental conditions. The noted authority Augustin Bernard has pointed out that the westernmost section of the Spanish Zone is "probably the best part of all Morocco, the most suitable for agricultural colonization and European settlement." It is well watered, irrigable in many places, covered with deep soil, the native population is relatively sparse and there is thus much land available for settlement.[7] It is interesting to note that a higher percentage of the land is under cultivation in the mountainous regions to the east than in this lower western section. Agriculturally, the country is definitely under-developed.

The same is true of its mineral resources. A number of ore bodies have been reported but the only ones exploited on a large scale are the high-grade iron deposits in the mountains behind Melilla. Even the fishing industry could be expanded considerably. Manufacturing is virtually non-existent. Commerce, both domestic and foreign, is small. Imports, which include large amounts of foodstuffs, exceed exports by a wide margin. The Spanish have always hoped that the ports of their Northern Zone would be employed by the transit trade to and from the French Zone. Instead, the French have developed their own ports on the Atlantic, notably Casablanca. The only port on the north coast used by the French is Tangier, connected with their Zone by the Tangier-Fez Railway. When Franco seized the International Zone of Tangier in 1940 and incorporated it administratively into Spanish Morocco, he undoubtedly had his eye on this transit trade, among other things.[8]

Internal communications have been greatly improved in recent years, though they are still none too good between the east and west. The main highway from Tetuán to Melilla via Villa Sanjurjo is closed part of the year by snow along some of the mountain sections where the altitude exceeds a mile. Ceuta and Melilla are the chief ports of the Northern Zone. In appearance and spirit they are as Spanish as Málaga or Alicante. The population of each exceeds 60,000, of which only a small minority is Moorish.

IV

The Canary Islands are geographically a part of Africa and their possession by Spain has certainly contributed to her position as an African Power. Administratively, however, the archipelago is integrated into the metropolitan government and for this purpose is divided into two provinces — Las Palmas and Santa Cruz de Tenerife. The population, approximately 750,000 in number, is Spanish-speaking, Catholic and little different in appearance from the inhabitants of Andalusia. The islands cover less than 3,000 square miles, which makes their population density higher than that of most of the provinces of the homeland. Further, large families are the rule and there is hence a steady flow of emigration.

[7] *L'Afrique Française*, August 1932, p. 448.

[8] See Graham H. Stuart, "The Future of Tangier," in FOREIGN AFFAIRS, July 1945, p. 675-9, for a recent discussion of the special status of the Tangier Zone.

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Most of the islands consist of the peaks of submerged volcanic mountains. They are thus heavily accidented but possess an extraordinarily fertile soil which produces all manner of fruits and vegetables for export to European markets. The mild and dry climate attracts many refugees from the cold winters of northwestern Europe, particularly Britain. Fishing is a profitable occupation, employing many thousands of men. Some authorities hold that the Mar Pequeña — as the Spanish call the narrow body of water lying between the Canaries and the African mainland — is the best fishing ground in the world.

The Canaries were claimed by Castile in the early fifteenth century, and after a spirited contest with Portugal the latter recognized the sovereignty of Ferdinand and Isabella in 1479. The islands proved invaluable as a way station along the best sailing route to America. They might also have served as stepping stones for the expansion of Spanish power down the African coast had not this been outlawed by the famous Line of Demarcation established by Pope Alexander VI in 1493, as modified by the Treaty of Tordesillas in 1494. Even so, Spain felt obliged to protect her Canary holdings by claiming the adjacent coast of Africa — where, in fact, the Canary Islanders had for some time conducted periodic slave raids. Portugal recognized this claim in 1509 and a Spanish post was set up at Santa Cruz de Mar Pequeña. But this place was taken by the Moroccans in 1524 and from then until 1860 Spain had no foothold on the Sahara coast. In that year the Sultan formally recognized Spain's right to the full occupation "de soberanía" of Santa Cruz de Mar Pequeña. Though no one knew just where this was, Spain proceeded during the "Scramble for Africa" of the eighties to obtain the submission of tribes over wide areas in southern Morocco and along the Sahara Coast. Villa Cisneros was established in 1885.

These activities aroused French suspicions, and in the various Franco-Spanish agreements concerning Morocco the claims of Spain were gradually whittled down from over 280,000 square miles to less than 120,000. Not only this, but the territory allotted Spain was cut into two parts: Spanish Sahara and the Ifni enclave. Cabo Juby was occupied in 1916 and La Agüera in 1920. Ifni, though ceded to Spain as early as 1860, was not occupied until 1934 under the Republic. In the following year France obliged Spain to accept still another reduction of the area of the enclave which brought it down to its present size.

Spanish Sahara comprises three parts: the Southern Zone of the Spanish Protectorate in Morocco (sometimes called the "Zona del Draa" after the small stream marking its northern boundary), the "Zona de libre ocupación" of Sekia-el-Hamra, and the colony of Rio de Oro. We have already seen that all of these are subject to the over-all authority of the Spanish High Commissioner and military commander in Tetuán. The same is true of the Ifni enclave. However, it is only in the Southern Zone of the Protectorate that Spain acts on behalf of the Sultan. Elsewhere she exercises full sovereign powers.

Figures for the area and population of these districts vary somewhat in compilations from different sources, but the following are probably not far from the mark.

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	Square Miles	Population
Ifni	750	35,000
Southern Zone of the Protectorate	10,000	6,000
Sekia-el-Hamra	31,000	11,000
Rio de Oro	75,000	23,000

In addition, there are anywhere from 30,000 to 100,000 nomads who temporarily wander into the Spanish Sahara from French territory after the brief rainy season. Order is maintained over this barren and very sparsely populated area by a small air force and a camel corps.

Ifni consists of largely sterile steppe country where a few sheep are raised and such hardy trees as the olive grow. Fishing is the greatest source of income and most of the natives on the coast engage in it. But Ifni is a land of milk and honey compared to Spanish Sahara. This desolate region comes by its name quite honestly, for here the Sahara comes right down and spills into the sea. The natives are, with few exceptions, nomads, and their wealth — using that term very loosely — consists of camels, sheep, asses and some scrawny cattle. They represent varying degrees of mixture among Arab, Berber and Negro elements. They all profess Islam, though hardly an orthodox brand. Anthropologists would doubtless find their social and economic organization into four castes to be most interesting. In the world's economy these people play no rôle whatsoever.

The settlements at Cabo Juby, Villa Cisneros, Smara and La Agüera have only a few hundred inhabitants apiece. They are essentially military and administrative posts where a few traders and other hangers-on find precarious lodgment. Cabo Juby and Villa Cisneros have airports laid out to serve planes flying from Europe to South America. In fact, the only circumstance which would seem to endow the Spanish Sahara with any value whatever is its position along some of the world's principal sea and air routes.

V

Spain's only possessions which could be classified as "colonies of exploitation" are those in the Gulf of Guinea region. Even here the only area that has actually been developed to any degree is the island of Fernando Póo. Continental Guinea, or Rio Muni, is far larger and potentially more productive; but thus far the Spanish have just begun to tap its resources.

Spain made her entrance into this region in 1778 when she acquired from Portugal the islands of Fernando Póo and Annobón, plus commercial rights along the adjacent Guinea coast. Fernando Póo was originally acquired so that Spain would no longer have to depend on foreign slave-traders to provide labor for her American colonies. However, early in the nineteenth century, the slave trade was outlawed and in 1827 the British occupied the island as a base from which to suppress the evil traffic. Up to then Spain had made only feeble efforts to colonize Fernando Póo, and though at first she objected to the British occupation, by 1840 her government agreed to sell that island and Annobón to Britain for £60,000. Public opinion in Spain prevented this deal from going through, and in the following years the Spanish expanded their Gulf of Guinea holdings by annexing Corisco and the Elobeys (1846) and

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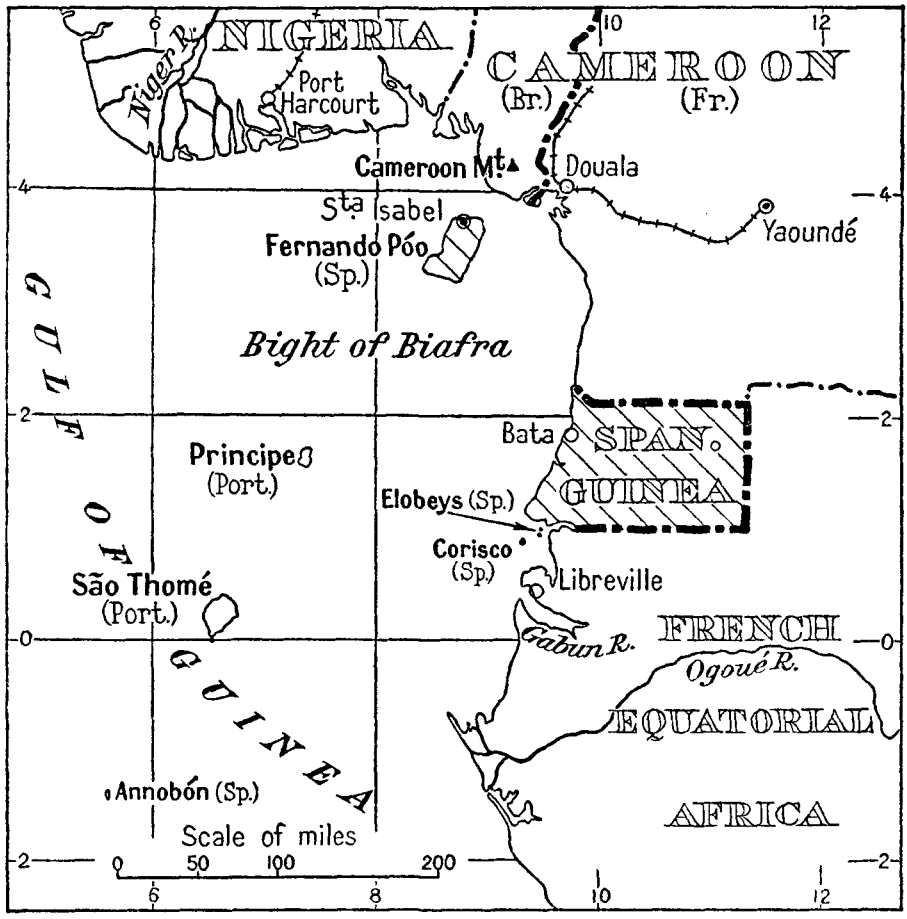
by extending their influence to the mainland around the Muni River. Spanish writers have sought to demonstrate that by 1860 Spain had obtained the submission of several important tracts of the mainland between the Niger and Gabun rivers.[9] During the seventies and eighties Spanish claims on the coast were subjected to much pressure from the British, Germans and French, and it was only with the Convention of Paris of 1900 that the boundaries of Spanish Continental Guinea were finally fixed.[10]



Fernando Póo is geologically a part of the mountain chain which extends, mostly submerged, from Cameroon Mt. south through the Gulf of Guinea. The highest peak on the island is over 9,300 feet and in general the topography is very rough. Rainfall is more than plentiful, which helps account for the unsuitability of the climate for European settlement. The soil is fertile and since

[9] *Cf.* Abelardo de Unzueta, "La Guinea Continental Española." Madrid: 1944, p. 16 ff. In particular, note the maps on pages 17, 28, 49.

[10] See de Unzueta, especially the map facing p. 74 which shows how Spain's claims, which extended all the way to the Ubangi River, were cut to about one-eighth of their original size.

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the end of the last century it has been producing increasing amounts of cacao, the island's principal export. Coffee, sugar, tobacco and vanilla are also grown. Many of the plantation operators came from the nearby Portuguese islands of São Thomé and Principe. For half a century labor has been imported for the harvest season, largely from the mainland. The conditions under which these blacks have been employed have led to much diplomatic trouble with the Liberian and other governments. Recently the nascent nationalist and trade-union movements of Nigeria have protested against the treatment accorded their countrymen by the Spanish "Fascist" authorities.

Fernando Póo has an area of 800 square miles and a population of around 30,000, of whom 1,700 are classed as Europeans. The less civilized natives are of nearly pure African stock, while those living around the coastal settlements are called the "portos" and represent a mixture of Negro, Spanish, Portuguese, Cuban and other blood.

Annobón, another partly submerged volcanic mass, contains 7 square miles and is covered with dense equatorial forest. The island was uninhabited when first discovered, but Negroes from the continent were later introduced and their descendants now number around 1,500, some of whom work seasonally on Fernando Póo. Though acquired in 1778, Annobón was not occupied until 1885, just in the nick of time to forestall German seizure.

Corisco, with an area of 5½ square miles, was first used by the Spanish as a slave-trading station and later several commercial factories were set up there. The population of not more than a thousand is racially somewhat mixed and engages in shipbuilding and fishing. The two Elobeys — Grande and Chico — have between them an area of less than a square mile and only some 500 inhabitants. Such importance as they once enjoyed as a trading and administrative center has now disappeared.

Continental Guinea has an area of 10,500 square miles and a population of about 150,000. Of these only a thousand are whites, the rest belonging in large part to branches of the great Fang, or Pamué, sub-race. Few of these Negroes have been even partially civilized, for most of the country has been effectively occupied by the Spanish only recently. Education among the natives is carried on partly by missionaries, some of whom are American Presbyterians, and partly in government schools. In 1941 there were in all less than 6,000 pupils attending 52 schools. Statistics supplied from Spanish sources indicate that the per capita expenditure on sanitation and health facilities for the natives of Continental Guinea is many times greater than that of Nigeria, the Cameroon or French Equatorial Africa. Natives in need of medical attention are said to come over from the surrounding French territories for treatment by the Spanish.

Spanish imperialist writers complain that their country has failed to take anything like full advantage of the natural resources of continental Guinea.[11] They insist that Spain at present imports from other countries and their colonies many items which could easily be produced in Guinea with a little help from Madrid. However that may be, the fact remains that continental Guinea sends very little into the stream of world trade. Her subsoil may contain minerals, but none of any importance is now being exploited. Cacao and coffee

[11] See, for example, J. César Banciella y Bárcena, "Rutas de Imperio," Madrid, 1940.

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are produced in small quantities by both European and native planters; but under ordinary conditions in the world market, these commodities face stiff competition. Lumber from the extensive forests is being taken out in appreciable quantities and this industry might be expanded. The only railroads in the colony were built for logging purposes. The primary highway system of 1,000 kilometers is approaching completion. Unfortunately the excessively rainy climate and the many streams make road construction and upkeep difficult.

Administratively, all the Spanish Territories of the Gulf of Guinea are under a single Governor-General, who resides at Santa Isabel on Fernando Póo. There is a sub-governor at Bata, capital of Continental Guinea.

VI

As a result of the virtual extinction of the Spanish colonial empire by the United States in 1898, the Spanish Government found it wise to suppress the Ministerio de Ultramar in April 1901. Since then the central administration of the African territories has undergone a bewildering series of metamorphoses. At present this function is discharged by the Dirección General de Marruecos y Colonias, which is attached to the Presidencia del Gobierno.

All of Spanish Africa taken together contains some 140,000 square miles and 2,250,000 inhabitants. Spain's overseas empire is thus far from impressive. It contributes little to the economy of the country and it cannot possibly help in solving the country's great social problems by providing an outlet for surplus population or by furnishing badly needed raw materials. Whatever importance the empire may have derives from its strategic location. This is especially true of the Spanish Zone in northern Morocco and of the Canary Islands. Everyone knows that the existence of a large Spanish military force in Morocco caused a great deal of anxiety to the Allied High Command at the time of the North African invasion in the winter of 1942–43. There must have been many times when Eisenhower's staff wished that the United States had followed the advice of certain American expansionists and included the Canaries among the spoils of war in 1898. As long as Spain is firmly ensconced on both sides of the Strait of Gibraltar, she will be excellently situated to be a nuisance or to engage in international blackmail.

At the same time, Spain's meager and scattered possessions in Africa are, as we saw in the opening paragraphs of this article, a source of strategic weakness to her. In any war where she is lined up against the Powers that control the Atlantic, she can expect to lose most of her empire practically overnight. Regardless of how small the intrinsic value of that empire may be, we can be quite sure that no government of Spain, least of all one dedicated to a revival of her imperial glory, will throw it away lightly.

There is, however, another card that the Spanish can play — and Franco is busily playing it. Some readers may have noticed in a dispatch appearing in the *New York Times* of April 7, 1946, that a Spanish Moroccan delegate was participating in the non-political activities of the Arab League in Cairo "with the sanction of the Madrid Government." This is no accident but part of a deliberate policy. For Franco to encourage Moroccan nationalism might appear at first blush to be contrary to Spanish interests. In reality, a na-

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tionalist movement aimed at freeing only the Spanish Zones would make little sense. What the nationalists want is the freedom of *all* of Morocco, nine-tenths of which is under French rule. Franco can therefore afford to flirt discreetly with the nationalists and thus obtain the reputation of being pro-Moroccan and pro-Moslem, while letting the French pay the bill. He is already known as being partial to his Moors and of doing such astute things as providing transportation on Spanish liners for his Moroccan subjects who make the pilgrimage to Mecca. Unlike the French, who are embarking on an ambitious plan for "assimilating" their colonial peoples, and thereby antagonizing nationalist groups, Franco has no intention of trying to make Spaniards out of North Africans.

Observers are agreed that events are shaping up rapidly in North Africa, and the Spanish imperialists are quite prepared to fish in these troubled waters. When they do, it will be a matter of the utmost concern to all who have learned that the key to the back door to Europe lies on the Barbary Coast.

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HOW MUCH OIL HAS RUSSIA?

By Solomon M. Schwarz

FOR a long time Russian reserves of oil were thought by everyone to be abundant, but rather suddenly the picture changed. The U.S.S.R. no longer emphasizes her richness in oil, as she did a few years ago, but on the contrary seems to wish to emphasize her need of oil — an emphasis which has been dramatized by recent events in northern Iran, centering about the Soviet demand for oil concessions there. What facts are ascertainable as to the extent of reserves of this precious mineral in the U.S.S.R.?

During the second half of the last century Russian oil production was the greatest in the world, and on the threshold of the twentieth century it still accounted for 50 to 51 percent of world production. The output of the United States amounted to approximately 41 percent of world production at that time.[1] Since then, the oil production of the world has increased enormously, and that of Russia has grown at a lesser rate; as a result, in 1940 the Russian output amounted to only one-sixth of the United States production, and barely 10 percent of the world total.

At the beginning of this century the Russian production of more than 10,000,000 tons came almost exclusively from the region around Baku, though a small amount came from the Grozny area of the northern Caucasus. During the next decade it decreased slightly (to 9,234,000 tons in 1913); and during the early years of the Revolution it diminished sharply. It began to rise again in 1922 and by 1927 it had surpassed the former high mark of 10,000,000 tons. The beginning of the policy of large-scale industrialization brought a rapid increase in oil production. Under the First Five Year Plan (1928–1932) it more than doubled and (including natural gas[2]) amounted to 22,300,000 tons in 1932. However, this gain was to some extent achieved by a thorough utilization of oil fields which had been prepared for exploitation. Beginning with the Second Five Year Plan, the development of the oil industry slowed considerably.

The Second Five Year Plan (1933–1937) called for an increase in oil production (including natural gas) from 22,300,000 tons in 1932 to 46,800,000 tons in 1937, *i.e.* an increase of 110 percent. Actually, production rose during these five years to 30,400,000 tons, or 36 percent, thus attaining in 1937 only 65 percent of the figure set by the plan.

Under the Third Five Year Plan (1938–1942) the results were even less favorable. The plan called for an increase of oil from 28,400,000 tons to 48,500,000 tons (67 percent), and an increase in gas from 2,000,000 tons to 5,500,000 tons (178 percent). The total of oil and gas combined was to be 54,000,000 tons, an increase of 77 percent. Actually, in 1940, the third year of this Five Year Plan, production of oil reached 31,147,000 tons, a gain of only 9.7 percent

[1] *Cf.* "World Resources and Industries," by Erich W. Zimmermann. New York: Harper, 1933, p. 494–495.

[2] Until recently, Russian statisticians usually included in the figures of oil production those for natural gas production, calculated in units of oil on the basis of 1,000 cubic meters of natural gas equivalent to one ton of oil. The rôle of natural gas in Russian economy was insignificant.

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during three years; oil production, including natural gas production, attained a total of 34,200,000 tons, or a gain of 12.5 percent.

The Fourth Five Year Plan (1946–1950), which was approved in March of this year by the Supreme Council of the U.S.S.R., calls for an increase in oil production to 35,400,000 tons in 1950 and a rise of natural gas production up to 8.4 billion cubic meters (equivalent to 8,400,000 tons of oil) — a combined total of 43,800,000 tons of oil and gas. Not only is this goal much smaller than that for 1942 set under the Third Five Year Plan, but smaller even than that envisaged for 1937 by the Second Five Year Plan. It is indeed a striking reduction. Is it a sign of the approaching exhaustion of the Russian oil deposits?

II

Reports on Russian oil reserves are highly controversial. At the 17th International Geological Congress in Moscow in 1937, the Russians claimed that the Soviet Union had 3.877 billion tons of proven oil reserves as against approximately 3.2 billion in all other countries. According to this estimate, the share of the Soviet Union in the oil reserves of the world would amount to 55 percent. Foreign experts, however, who also based their estimates on the figures presented at that Congress, credited the Soviet Union with only 887,000,000 tons, or 22 percent of the proven reserves of the world. More recently, a table published in *World Petroleum* (September 1945) gave an even lower estimate of the oil reserves of the Soviet Union: 5.735 billion barrels as against a total world reserve of 63.773 billion barrels. By this estimate Russia's share would amount to only 9 percent of the total reserves of the world. As a matter of fact, according to the rate accepted by the United States Bureau of Mines for converting Russian oil — 7.29 barrels for one metric ton — this figure of 5.735 billion barrels is the equivalent of 787,000,000 tons, or 11 percent less than was assumed in 1937. What is the solution of this riddle?

The international oil statistics distinguish two kinds of oil reserves: "proven" and "probable" reserves. In his report on "World's Oil Reserves" at the 17th International Geological Congress, Professor Ivan M. Gubkin, prominent Russian geologist and oil expert, emphasized that this classification is not sufficient for the work of the Russian geologists because the planning of future developments requires that the classification of oil deposits be much more differentiated. The Soviet oil geologists, therefore, first of all distinguish "explored," "prepared" and "visible" reserves. These three groups taken together are also called "industrial reserves" and unquestionably belong to the category of "proven reserves;" consequently, it is not necessary to analyze them any further. The Soviet geologists, however, have made estimates regarding two additional groups of reserves: "supposed reserves" — estimated "on the basis of the geological structure of the field and of the region" — and "possible reserves" — "possible for various geological reasons." According to Professor Gubkin, the assessment of "supposed reserves" is necessary for the planning of future oil production, that of "possible reserves" for "long-term general orientation."[3]

[3] See "International Geological Congress, Report of the XVII Session" (1937), v. I, Moscow 1939, p. 170–172 (title in Russian and in English, text in Russian).

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There can be no doubt that "possible reserves" are not "proven reserves" according to the classification accepted in international statistics. The question arises, however, how to treat "supposed reserves." Professor Gubkin cited the characterization of "proven reserves" in the "Statistical Yearbook of the World Power Conference," to the effect that areas which "may reasonably be assumed to contain crude petroleum in quantities sufficient to warrant eventual commercial exploitation" are considered "proven reserves," and insisted that the Soviet category of "supposed reserves" be classified as "proven reserves" in any comparison with statistical data of other countries.

Professor Gubkin's reasoning made a certain impression upon the Congress. Apparently it is true that the Russian "industrial reserves" give a somewhat narrower conception of the extent of oil reserves than what is considered proven reserves in the United States and in other countries. On the other hand, the Congress could not agree at all with Gubkin's idea that the entire group of "supposable reserves" should be considered proven reserves; an important part of the resources in this category undoubtedly must be considered only "probable reserves" according to international terminology. In other words, the "proven reserves" of the Soviet Union may be somewhat larger than the "industrial reserves," but it is impossible to say how much larger. Therefore, international statistics accept for the Soviet Union as "proven reserves" only the total of the three groups of "industrial reserves." In the light of these distinctions, it is possible to understand the difference between the 1937 estimates of Professor Gubkin (which gave the U.S.S.R. 55 percent of the world reserves) and of foreign experts (which allotted her 22 percent). The Gubkin figure was undoubtedly much exaggerated; however, the figure of 22 percent could likewise hardly be accepted as accurate. The Soviet Union's share of "proven reserves" of the world in 1937 was at least 25 to 30 percent, perhaps one-third of total oil reserves.

However, all this was in 1937. Since that time gigantic events have taken place in the world of oil. Immense new reserves have been "proven," in the Near East and also in the United States. No new data on the Soviet Union have been published since the end of the thirties. In international statistical publications the 1937 data for the Soviet Union's "industrial reserves" are still being used; some authors give even lower figures (as in the estimate of *World Petroleum*), concluding, apparently, on the basis of the alarmed reports in the Soviet oil periodicals about the decline in prospecting drilling, that from 1937 exploration in the Soviet Union lagged heavily behind production. Prospecting drilling, however, is only one form of exploring oil reserves — the most reliable, but the most difficult. True, it is often impossible to prove the presence of oil without some prospecting drilling; but oil reserves often can be "proven" to a sufficient degree of certitude (though not prepared for exploitation) by thorough geological surface exploration in connection with limited prospecting drillings. This was done extensively in the Soviet Union in the late thirties and apparently also on a large scale during the war.

International publications on oil seem not to have noticed that new Russian data on oil reserves were published at least once after the International Geological Congress. An article by Professor Gubkin gave much higher

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figures of Soviet oil deposits at the beginning of 1938 than those presented to the International Geological Congress as of January 1, 1937 [4]:

	January 1, 1937	*January 1, 1938*
	(in million tons)	
Industrial reserves	883	987
Supposed reserves	2,994	3,665
Possible reserves	2,499	4,010

During 1937 the increase in industrial reserves was three-and-a-half times as large as the actual oil production. The increase in Russian oil reserves appears even greater if we accept the idea that a part of the so-called supposed reserves also belongs to the category of proven reserves. From 1938 to 1940 this building up of reserves continued intensively in all oil-bearing areas of the Soviet Union, and during the war it was continued in all non-Caucasian areas and to a limited extent in the Caucasian region. The People's Commissar for the Oil Industry, Nikolai Baibakov, emphasized this recently:

> With respect to natural oil reserves the Soviet Union occupies first place in the world. . . . Solely during the four years of the war 34 new oil and gas fields were discovered. In 20 prewar years a total of 83 fields were discovered. During the war discovery was made and exploitation started of oil fields in the Devonian formations in Bashkiria, in the Samara bend, in the Molotov province. . . . New oil fields were given to the country by the oil geologists of Dagestan (north Caucasus), Central Asia, Sakhalin, etc. The oil reserves of the Soviet Union have increased considerably.[5]

The proven oil reserves of the Soviet Union thus are today much larger than at the time of the 17th International Geological Congress, although the increase undoubtedly is smaller than the increase in the proven reserves of the rest of the world. To assume that present Russian oil reserves amount to at least 15 percent and perhaps 20 percent of the total world reserve would be a rather conservative estimate.

In reality, the Soviet Union is probably much richer in oil than might be assumed on the basis of data on proven reserves. In the United States, oil reserves have been explored meticulously; the prospects for the discovery of new fields are limited and new reserves are usually discovered by digging deeper in already known fields. The Soviet Union, on the other hand, has been thoroughly explored for oil only in the Caucasus — and indeed, not all parts of that area have been exhaustively searched. Outside of the Caucasus, the work of exploration has not much more than begun, and great discoveries are still probable. The wealth of a country in oil comprises not only reserves which have already been proven but also reserves which still are lying undiscovered in the depths of the earth and which guarantee the future production. From this point of view the Soviet Union is perhaps richer in oil than any other country.

III

The oil problem in the Soviet Union is not a lack of deposits, but the problem of the industrial exploitation of reserves; and this is primarily a problem of geography. The main oil region of the Soviet Union is in Transcaucasia, near

[4] *Cf.* Ivan M. Gubkin, *Vestnik Akademii Nauk SSSR*, 1939, No. 3/4.
[5] *Izvestia*, March 6, 1946.

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Baku, on the western shore of the Caspian Sea, near the southern border of the Soviet Union, thousands of kilometers from the main industrial centers. The distance between Baku and Kharkov is 1,887 kilometers, between Baku and Moscow 2,550 kilometers, between Baku and Leningrad 3,201 kilometers. Baku has been the chief source of oil and its by-products for the Soviet Union in spite of the fact that oil fields with very large reserves have been discovered outside of the Baku area. This Baku region is apparently part of an immense territory which contains large clusters of oil fields. To the southeast it extends beneath the Caspian Sea to the deserts of Turkmenistan where oil production is under way under very unfavorable climatic and geographical conditions; from there individual oil fields have been found as far to the east as the mountainous regions of Tadzhikistan and southern Uzbekistan. To the north and northwest of the Baku region rich oil fields are situated in the northern Caucasus (Grozny, Maikop and the fields in Makhach-Kala on the shore of the Caspian Sea, which were discovered during the war).[6]

It is possible that the oil fields situated to the north and the northeast of the Caspian Sea in the direction of the Urals, the so-called Emba region, and the natural gas fields on the lower Volga are geologically related to the Caucasian fields. During the preceding 15 years important oil fields were discovered in various places between the Urals and the middle Volga, along the entire western slope of the Urals. These discoveries make it possible to view the entire immense territory between the Urals and the middle Volga as a unit, interspersed everywhere with oil fields and natural gas fields — the so-called "second Baku." In this connection, Soviet oil experts and geologists attach special importance to the fact that rich oil fields were discovered in this territory in the Devonian formation. The discovery was made in 1944, almost simultaneously in three places remote from each other: near Kuibyshev on the Volga, near Ufa in the middle Urals, and near Severokamsk in the northern Urals. The large amount of oil in this immense territory is also indicated by the recently prospected rich natural gas fields near Kuibyshev and especially near Saratov. The latter were discovered in 1941; in the spring of 1946 a gas pipeline 783 kilometers long was laid from Saratov to Moscow. Estimates are that it will provide about 500,000,000 cubic meters of natural gas annually.

In addition to these fields the Soviet Union has oil in the Pacific region — in Kamchatka and on Sakhalin, and elsewhere. Favorable prospects for oil production seem to exist also along the Siberian shores of the Arctic Sea; this is vigorously asserted, on a predominantly theoretical basis, by Wallace E. Pratt.

Industrialization, in particular the mechanization of agriculture, increased the demand for oil products in every part of the Soviet Union. Yet the remote Caucasian region remained the chief source of supply. Movement of oil by pipeline plays an unimportant rôle in Russian oil, and the increase in the length of the average haul of oil and oil products by rail was dangerously large. From 1913 to 1928 the average rose from 601 kilometers to 728; and by 1937 it had risen to 1,228 kilometers. [7]

[6] The notion recently mentioned in the newspapers that exploitation of the oil fields of northern Iran might "drain" the Baku field, or vice versa, is a fantasy.

[7] *Cf.* "Economics of Transportation," by L. Y. Volfson, V. I. Ledovski and N. S. Shilnikov. Moscow: 1941, p. 245 (in Russian).

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Russian economic authorities have known for a long time that geographical redistribution of the oil industry was an urgent task. The Second Five Year Plan formulated a relatively modest program, which proposed to increase the production of the non-Caucasian regions from 7.1 percent of the total to 11.3 percent. The Third Five Year Plan raised the figure to 25.3; but in 1940, 90 percent of the entire oil production still came from the Caucasian areas.

The war hit Russian oil production very hard. The oil regions in the northern Caucasus — the Maikop and Grozny fields — which accounted for about 15 percent of the entire oil production of the country, were either occupied by the Germans or were under bombardment. In both areas the oil industry was largely destroyed. At one time there was a possibility that Baku might be almost cut off from the rest of the country and a part of its drilling equipment and drilling personnel was therefore transferred to less menaced areas. A considerable section of the prepared oil fields of the Baku area were exhausted during the war, and the oil production in Baku decreased sharply. Efforts to step up the output in the "second Baku" and in middle Asia areas could not make up for the losses from the Caucasian fields, and even after a partial recovery of the oil industry in the Grozny and Maikop regions Russia finished the war with a sharply diminished oil production.

The precise amount of the 1945 production is not known, but the modest figure envisaged for 1950 in the recently announced Fourth Five Year Plan plainly suggests how low the present output is. An important feature of this new plan is the effort to change the geography of oil production. The plan, as it was presented in *Izvestia*, March 21, 1946, contains not only figures for the U.S.S.R. as a whole but also for its individual republics. Since the northern Caucasus areas form part of the Russian Republic (RSFSR) and no separate figures regarding these areas have been published, it is not possible to estimate the share of the Caucasian oil fields in the total oil production of the Soviet Union. Information in the Soviet press shows, however, that the plan proposes full recovery of the north Caucasian oil industry, and perhaps an increase in its output above its prewar level. For the Baku area (in the Azerbaijan republic), however, the goal set for 1950 is only 17,000,000 tons of oil, although this area in 1938 produced 24,000,000 tons of oil and natural gas, and not less than 22,000,000 tons of oil alone. The share of the fields of Azerbaijan in the total oil production of the Soviet Union is to be reduced from 74.4 percent (as of 1938) to 47.9 percent (in 1950). Consequently, the share of the Russian (RSFSR) oil fields, including north Caucasus, has to rise to 40.9 percent, that of the fields of Turkmenistan republic to 3.1 percent, and of the Uzbekian republic to 3 percent.

The general tendency to expand Soviet oil industry in new areas nearer to the centers of oil consumption can be observed also in the plan for drilling. New producing wells which are to be prepared from 1946 to 1950 are scheduled in terms of "points." A total of 11,370 "points" are listed for the seven oil producing republics mentioned in the plan: 5,805 in the Russian republic; 2,240 in three republics of middle Asia — Uzbekian, Turkmenian and Kazakh; 2,660 in Azerbaijan; 340 in Georgia; and 325 in the Ukraine. (The plan contains no figures on two of the oil producing republics of middle Asia.) That the geography of the Soviet oil industry will be reshaped as fully as proposed in the coming five years is doubtful, but the figures do indicate the trend.

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RECENT BOOKS ON INTERNATIONAL RELATIONS

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General: Political, Military and Legal

THE BIG THREE. By DAVID J. DALLIN. New Haven: Yale University Press, 1945, 292 p. $2.75.

Within recent years Dr. Dallin has in rapid succession turned out three books on the Soviet Union and its foreign policy. The scope of the present volume is wider, but its focus is still on Russia and his attitude is still, of course, anti-Soviet. He finds the Kremlin determined to expand its territory and power, especially at the expense of the British Empire, even if another world war is the consequence. He reposes small faith in the United Nations as an instrument of peace and in general his outlook is one that can only inspire gloom among his readers.

WORLD POLITICS FACES ECONOMICS. By HAROLD D. LASSWELL. New York: McGraw-Hill, 1945, 108 p. $1.25.

The next stage in history, according to this student of political science and psychology, will be marked by rivalry, though not necessarily conflict, between the United States and the Soviet Union, with the lesser states inevitably drawn into the political and economic orbits of one or the other. Thus in effect the world will be divided into the zones of influence of two Super-Powers. This challenging little question-and-answer booklet was prepared for the Committee for Economic Development.

POLITICAL RECONSTRUCTION. By KARL LOEWENSTEIN. New York: Macmillan, 1946, 498 p. $4.00.

In essence what Professor Loewenstein says is that the doctrine of self-determination of peoples, and its corollary of non-intervention, are fatal mistakes that can easily be the cause of our undoing. To him the experience of the last generation proves conclusively that there can be no peace unless *all*, and not merely *some*, of the states in the world are under the rule of law.

WESTERN WORLD. By ROYCE BRIER. Garden City: Doubleday, 1946, 272 p. $2.50.

A novel interpretation of the development of the western world from 1400 down to the contemporary era, or, as Mr. Brier calls it, the "Period of the Germanic Wars."

THE FOUR CORNERSTONES OF PEACE. By VERA MICHELES DEAN. New York: Whittlesey House, 1946, 267 p. $2.50.

A lucid and systematic analysis of the progress toward the organization of world peace achieved at the Dumbarton Oaks, Yalta, Mexico City and San Francisco Conferences, by the Research Director of the Foreign Policy Association.

CHARTER OF THE UNITED NATIONS. By LELAND M. GOODRICH AND EDVARD HAMBRO. Boston: World Peace Foundation, 1946, 400 p. $2.50.

The historical background of the Charter, a commentary on its provisions article by article, the texts of 15 relevant documents and a bibliography.

LA CONFERENCIA DE SAN FRANCISCO. By VICTOR ANDRES BELAUNDE. Lima: Lumen, 1945, 160 p.

A running account of the issues raised at the San Francisco Conference and how they were resolved, by a Peruvian delegate. The Spanish text of the Charter is included.

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SAN FRANSISKODA NELER GÖRDÜM? By Ahmet Emin Yalman. Istanbul: Vatan Matbaasi, 1945, 225 p.

A Turkish journalist reports on his observations and impressions of the San Francisco Conference of 1945. He was disappointed at the indifference of the Great Powers toward the rights and interests of the smaller countries, but he formed a favorable opinion of the democratic tone of American political and social life.

PEACE, SECURITY AND THE UNITED NATIONS. Edited by Hans J. Morgenthau. Chicago: University of Chicago Press, 1946, 133 p. $1.50.

These five lectures, dealing with political and organizational problems arising out of the San Francisco Charter, were delivered at the University of Chicago in July 1945.

EUROPEAN BALANCE. By Peter Matthews. London: Chatto and Windus, 1945, 191 p. 8/6.

Somewhat random, though generally apposite, chapters on the political problems involved in establishing and maintaining peace in Europe.

KEIN DRITTER WELTKRIEG. By Alfred Rosenthal von Grotthuss. New York: Krause, 1945, 211 p. $2.75.

Goethe, Nietzsche and Emerson are called upon to provide philosophical underpinnings for the doctrine that world government is a hopeless chimera and that peace can be maintained only if the "white" nations stand together. Russia is, of course, not a "white" country, but if the victors in this war isolate Germany again, she will perforce seek solace in the arms of the Russians. The author has no use for rule by the "masses" and by name attacks Henry Wallace.

IN THE NAME OF SANITY. By Raymond Swing. New York: Harper, 1946, 116 p. $1.00.

A collection of Mr. Swing's weekly broadcasts, stating the case for a world government as the only way to keep mankind from destroying itself with atomic energy.

MODERN MAN IS OBSOLETE. By Norman Cousins. New York: Viking, 1945, 59 p. $1.00.

An expansion of a ringing editorial, inspired by the atom bomb, which first appeared in the *Saturday Review of Literature* last summer.

THE LIBERAL TRADITION. By William Aylott Orton. New Haven: Yale University Press, 1945, 317 p. $3.50.

An interpretation of the development of Europe's liberal tradition from classical times which will certainly not satisfy many observers of the contemporary scene.

SYSTEMATIC POLITICS. By Charles E. Merriam. Chicago: University of Chicago Press, 1945, 348 p. $3.75.

A treatise, largely theoretical in its approach, on the art of government. The author, a noted authority, is professor emeritus of political science at the University of Chicago.

TWENTIETH CENTURY POLITICAL THOUGHT. Edited by Joseph S. Roucek. New York: Philosophical Library, 1946, 657 p. $6.00.

A coöperative work by various hands, among whom the subject matter has been divided both topically and geographically.

ESSAYS ON GOVERNMENT. By Ernest Barker. New York: Oxford University Press, 1946, 269 p. $4.25.

Among the papers by this noted British political scientist are essays on the British constitutional monarchy, the parliamentary system of government and the government of the Third French Republic.

CONTEMPORARY FOREIGN GOVERNMENTS. By Herman Beukema and Others. New York: Rinehart, 1946, 362 p. $3.50.

A schematic presentation of the governmental apparatus of Great Britain, France, Italy, Germany, the Soviet Union and Japan, with a final section entitled "World

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Security." The authors have made an honest effort to keep reasonably *au courant* by discussing such topics as the Vichy régime, Mussolini's "Social Republic" and the military occupation governments in Germany and Japan.

THE WORLD IS THEIR BEAT. By J. C. Oestreicher. New York: Essential Books, 1945, 254 p. $2.50.

A discursive description of how foreign correspondents go about their business.

LA PRÓXIMA GUERRA. By Lieut. Gen. Alfredo Kindelán. Madrid: Aguilar, 1945, 277 p. Ptas. 15.

When the author wrote this remarkable volume he was Director of the Escuela Superior of the Spanish Army. Early this year it was reported that, as an avowed monarchist, he had fallen from grace and been exiled to one of the Canary Islands. This book, which has gone through several editions, first reviews the history of Russian expansion since the early medieval period, and then proceeds to describe the forthcoming war which the united power of the Slav and German peoples will unleash upon the world. The text is accompanied by numerous sketch maps after the fashion of contemporary Spanish geopolitics. The concluding chapters deal with the strategic and tactical lessons to be learned from the recent conflict.

ESPACIO Y ECONOMÍA. By J. César Banciella y Bárzana. Madrid: Instituto de Estudios Políticos, 1945, 363 p. Ptas. 40.

This is a good example of the current Spanish variation on the theme of geopolitics. The author does not cover the whole world systematically but concentrates instead on certain areas, interesting for strategic or other reasons, such as Russia (which receives nearly 100 pages), North Africa, the Trans-Saharan Railway and Dakar, Egypt and the Suez Canal, Turkey, the routes to India, the islands of the East Indies and Australasia, etc. The text is illustrated with 110 maps, 121 figures and numerous tables.

LA PERTE DE LA QUALITÉ DE MEMBRE DE LA S. d. N. By Cajo Enrico Balossini. Geneva: "Études Juridiques et Politiques," 1945, 102 p. Swiss Fr. 5.

This monograph, after reviewing the earlier instances in which states lost their membership in the League, examines in some detail the more recent cases of the Soviet Union and of Vichy France. There are copious notes but no bibliography.

NORMAS DE DIPLOMACIA Y DE DERECHO DIPLOMÁTICO. By José Sebastián de Erice y O'Shea. Madrid: Instituto de Estudios Políticos, 1945, 2 v. Ptas. 50.

A compendious guide to the history, law and practice of diplomacy, with emphasis on Spanish experience.

GENERAL THEORY OF LAW AND STATE. By Hans Kelsen. Cambridge: Harvard University Press, 1945, 516 p. $6.00.

A theoretical treatise in which a noted German authority on jurisprudence has assembled and reformulated the subject matter of his previously published works.

O DIREITO INTERNACIONAL E A DEMOCRACIA. By Levi Carneiro. Rio de Janeiro: Branco, 1945, 408 p.

A collection of essays and addresses on international affairs, by a Brazilian jurisconsult who has held many public offices.

General: Economic and Social

THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL. By Herman Finer. Boston: World Peace Foundation, 1946, 121 p. 50 cents.

A sound exposition of its organization and potentialities, by a leading British political scientist, formerly of the London School of Economics, recently at Harvard.

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DICTIONARY OF FOREIGN TRADE. By Frank Henius. New York: Prentice-Hall, 1946, 745 p. $10.00.

A valuable, comprehensive reference work containing definitions of foreign trade terms, usages, practices and procedures. The illustrative documents, ranging from acceptance agreements to warehouse storage orders, should be of invaluable assistance to students and those just entering the field of foreign trade.

LA DOCTRINA FUNCIONAL DEL DINERO. By Germán Bernácer. Madrid: Consejo Superior de Investigaciones Científicas, 1945, 364 p.

A theoretical analysis of the functional doctrine of money.

SCIENCE AND THE PLANNED STATE. By John R. Baker. New York: Macmillan, 1945, 120 p. $1.75.

This is a vigorous attack on those who hold that scientific research must have social significance and is thus an exposition of the view that scientists must be free from rigid state supervision. The current public debate over the control of atomic energy makes this book especially timely.

FULL EMPLOYMENT AND FREE TRADE. By Michael Polanyi. New York: Cambridge University Press (Macmillan), 1945, 155 p. $2.75.

A lucid presentation of Keynesian economics explaining the mechanism by which the level of employment is determined, and its relation to free trade.

ENOUGH AND TO SPARE. By Kirtley F. Mather. New York: Harper, 1944, 186 p. $2.00.

A professor of geology at Harvard, finding that the natural resources of the world are adequate to support an economy of abundance, argues that we must plan to use this wealth for the attainment of both freedom and security.

CONFESSIONS OF A EUROPEAN INTELLECTUAL. By Franz Schoenberner. New York: Macmillan, 1946, 315 p. $2.75.

The memoirs of a highly civilized man, formerly editor of *Simplicissimus*.

THE FIRST FREEDOM. By Morris L. Ernst. New York: Macmillan, 1946, 316 p. $3.00.

A liberal lawyer states the case for the free exchange of ideas throughout the world, whether by the printed word, the radio or the movies.

THE FAITH OF A LIBERAL. By Morris R. Cohen. New York: Holt, 1946, 497 p. $3.75.

This confession of faith by a noted professor of philosophy is composed largely of occasional pieces selected from the product of a long career of teaching and writing.

THE NEW LEVIATHAN. By Paul Hutchinson. Chicago: Willett, Clark, 1946, 233 p. $2.00.

The relations of Church and State reviewed in the light of modern totalitarian trends.

RACE AND DEMOCRATIC SOCIETY. By Franz Boas. New York: Augustin, 1945, 219 p. $2.50.

Some 30 articles selected from the many written by a noted anthropologist during a long and productive lifetime. They are grouped under the headings Race, Units of Man (including Nationalism and International States) and Democratic Society.

THE FIGHTING JEW. By Ralph Nunberg. New York: Creative Age Press, 1945, 295 p. $2.50.

A popular review of the military record of the Jews during the last 2,000 years.

A PARTISAN GUIDE TO THE JEWISH PROBLEM. By Milton Steinberg. Indianapolis: Bobbs-Merrill, 1945, 308 p. $3.00.

This is distinctly one of the better books on the Jewish Problem and its twin, the Gentile Problem. Rabbi Steinberg believes that what the Jews need is not more but less assimilation, and that only a revival of Judaism can insure their survival.

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THE NEGRO AND THE POST-WAR WORLD: A PRIMER. By Rayford Whittingham Logan. Washington: Minorities Publishers, 1945, 95 p. $1.50.

The fundamentals of the Negro's position in the world set forth in simple terms.

The Second World War

CASABLANCA TO KATYN. By Waverley Root. New York: Scribner, 1946, 484 p. $5.00.

This is Volume III of the author's "Secret History of the War" and in a rough sort of way is devoted to the events of 1943. As in the previous two volumes, Mr. Root's narrative is a combination of well-known facts, canny surmises and would-be "inside stuff." He does not try to be comprehensive or to conform to a rigidly logical order of treatment. How much of his story will stand up, only the passage of time can tell.

THE OXFORD WAR ATLAS. VOLUME IV: THE WAR IN 1944. By Jasper H. Stembridge. New York: Oxford University Press, 1946, 96 p. $1.50.

Some 50 schematic maps and tables, together with brief explanatory texts.

ADVENTURE IN DIPLOMACY: OUR FRENCH DILEMMA. By Kenneth Pendar. New York: Dodd, 1945, 280 p. $3.00.

The author went to French North Africa in 1941 as one of a small group of American "vice-consuls" sent to spy out the land. The major part of this book is an account of his experiences. His later chapters, however, go off into an attack on the de Gaulle régime, the head of which Mr. Pendar finds guilty of pronounced anti-democratic tendencies.

EL HECHO POLÍTICO DE ARGEL (1939–1944). By Tomás García Figueras. Madrid: Instituto de Estudios Políticos, 1945, 578 p. Ptas. 35.

The author has sought to present an objective narrative of events in North Africa from the Fall of France in 1940 until the Liberation in 1944. He has relied largely on Spanish sources and does not pretend to have composed a definitive account. Included are several chapters on French colonial affairs during the war.

WAITING IN THE NIGHT. By George Millar. Garden City: Doubleday, 1946, 377 p. $2.75.

In recounting his own personal experiences, a leader of the French resistance movement gives a good idea of how the Maquis was organized and operated.

MÉMOIRES D'UN AGENT SECRET DE LA FRANCE LIBRE JUIN 1940–JUIN 1942. By Rémy. Paris: Trois Couleurs, 1945, 551 p. Fr. 250.

The writer fled from France in June 1940, went to England, joined de Gaulle's secret service, and returned to his homeland to organize underground communications. His story is intensely dramatic and is filled with the exploits of many unsung heroes.

NO PASSPORT FOR PARIS. By Alice-Leone Moats. New York: Putnam, 1945, 275 p. $2.50.

Miss Moats, who seems to have quite a knack for getting into and out of tight places, tells us about affairs and personages in Franco Spain during the war and about an unauthorized trip into Occupied France. Miss Moats suffers from no afflictions of false modesty.

BRITISH MERCHANTMEN AT WAR. By J. L. Hodson. Chicago: Ziff-Davis, 1945, 142 p. $1.50.

The "official story" of the duties performed and the hardships suffered by the vessels and men of the British Merchant Navy from 1939 to 1944.

48 MILLION TONS TO EISENHOWER. By Lieutenant Colonel Randolph Leigh. Washington: Infantry Journal, 1945, 179 p. $2.00.

How the Allied invasion of Europe was backed up by the Service of Supply.

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TOP SECRET. By Ralph Ingersoll. New York: Harcourt, 1946, 373 p. $3.00.

Mr. Ingersoll, newspaperman turned soldier, gives a personalized and very lively story of the planning and execution of the invasion of western Europe. He also issues many *obiter dicta*, some of which are rather naïve, on his likes and dislikes. The latter include various Allied commanders, especially Eisenhower and Montgomery. Regarding the British and their policies he seems to suffer from an acute inferiority complex.

WE PLANNED THE SECOND FRONT. By Major John Dalgleish. London: Gollancz, 1945, 108 p. 3/6.

"The inside story of how the Second Front was planned," by a British member of the staff that did the planning. Brief but authentic.

PARACHUTE TO BERLIN. By Lowell Bennett. New York: Vanguard, 1945, 252 p. $2.50.

Mr. Bennett, a correspondent for the International News Service, was forced to bail out from an R.A.F. bomber over Berlin in December 1943. This exciting book contains an account of his various attempts to escape and what he saw of conditions in wartime Germany. He had an opportunity to check up on some of the Allied claims concerning aërial damage to the Nazis' war production machine and found them exaggerated.

DIARY OF A KRIEGIE. By Edward W. Beattie, Jr. New York: Crowell, 1946, 312 p. $3.00.

A United Press correspondent spends the last eight months of the war in Europe as a not-too-badly-treated prisoner of the Germans.

ARNHEM LIFT. By Sgt. Louis E. Hagen. New York: Farrar and Rinehart, 1945, 82 p. $1.00.

The personal story of one of the glider pilots in the airborne operation at Arnhem.

FAREWELL CAMPO 12. By Brigadier James Hargest. London: Michael Joseph, 1945, 184 p. 10/6.

A New Zealand officer gets captured in Libya, is sent to an Italian prison camp, escapes to Spain, and returns to England. Later he was killed in Normandy.

AN INFANTRY OFFICER WITH THE EIGHTH ARMY. By Major H. P. Samwell. Edinburgh: Blackwood, 1945, 208 p. 7/6.

Informative recollections of service in North Africa and Sicily, by a British officer later killed in the Ardennes.

THE BUILDING OF THE BURMA ROAD. By Tan Pei-ying. New York: Whittlesey House, 1945, 200 p. $2.75.

Here is the absorbing story of how the Burma Road was built and kept open, by the man who was put in charge of the job in 1938. Illustrations and map.

GENERAL WAINWRIGHT'S STORY. By General Jonathan M. Wainwright. Garden City: Doubleday, 1946, 314 p. $3.00.

This is General Wainwright's "account of four years of humiliating defeat, surrender, and captivity." It is a model of brevity, clarity and humanity. Despite the indignities and cruelties suffered by him and his men, he is without bitterness toward either the Japanese or his own people, on whom after all must rest the responsibility for Bataan, Corregidor and the awful years of captivity. Robert Considine edited the book.

BIG DISTANCE. By Captain Donald Hough and Captain Elliott Arnold. New York: Duell, 1945, 255 p. $3.00.

The important story of how the Army Air Force contributed to victory in the Pacific during the crucial period between the Battle of the Coral Sea and the Battle of the Bismarck Sea.

ON TO WESTWARD. By Robert Sherrod. New York: Duell, 1945, 333 p. $3.00.

Vivid first-hand reporting on the Saipan, Iwo Jima and Okinawa campaigns.

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The United States

RIVAL PARTNERS. By Keith Hutchison. New York: Macmillan, 1946, 262 p. $2.00.

This is a sound, quite unemotional examination of the economic relations between Britain and the United States — recent, current and future — by an associate editor of the *Nation*. Mr. Hutchison wrote before the arrival of the Keynes Mission in Washington, yet his analysis and conclusions are as timely as ever. He makes it abundantly clear that the United States and Britain must coöperate if there is to be any sound revival of international trade and thus of world prosperity.

WE CAN DO BUSINESS WITH RUSSIA. By Hans Heymann. Chicago: Ziff-Davis, 1945, 268 p. $2.50.

Dr. Heymann, now a research professor at Rutgers University, served in the German Foreign Office under the Weimar Republic. The thesis of his book, which is indicated in the title, is developed unevenly and with a curious mixture of facts, surmises and exhortation. The author also wanders from his main theme, not always to good purpose.

AMERICA'S ROLE IN WORLD AFFAIRS. By Emil Lengyel. New York: Harper, 1946, 318 p. $1.60.

The historical background and present shape of American foreign policy put into language easily grasped by the layman.

THE STORY OF WOODROW WILSON. By Ruth Cranston. New York: Simon and Schuster, 1945, 478 p. $3.50.

In preparing this full-length biography Mrs. Cranston had the advantages of personal acquaintance with the Wilson family, including the President himself, and of access to certain of his private papers not consulted by previous writers. Her approach is definitely that of a warm admirer of Wilson and a staunch defender of his policies, though she is by no means an uncritical apologist.

MY FRIENDS. By Franklin Delano Roosevelt. Buffalo: Foster, 1945, 157 p. $1.00.

These 28 speeches of the late President run from his first inaugural of March 4, 1933, to the undelivered address written the night before he died.

ROOSEVELT ALBUM. Edited by A. J. Ezickson. New York: Knickerbocker, 1945 96 p. $1.00.

Some 200 photographs illustrating the character and career of the late President.

THE AUTOBIOGRAPHY OF WILLIAM ALLEN WHITE. By William Allen White. New York: Macmillan, 1946, 669 p. $3.75.

In this thoroughly delightful book the late Kansas editor tells us much about the many causes with which he was connected during his long and colorful life.

INDIANA PUBLIC OPINION AND THE WORLD WAR (1914–1917). By Cedric C. Cummins. Indianapolis: Indiana Historical Bureau, 1945, 292 p.

A monograph based largely on newspaper files.

IT'S A SECRET. By Henry Hoke. New York: Reynal, 1946, 312 p. $2.50.

Chapter and verse on the activities and backgrounds of Fascist and Nazi agents, witting and otherwise, who have been accused of engaging in seditious activities in the United States during the war.

THE UNITED STATES AFTER WAR. By Alvin H. Hansen and Others. Ithaca: Cornell University Press, 1945, 180 p. $2.50.

Six lectures, of which one (by Herbert W. Briggs) concerns "Power Politics and International Organization."

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THE GROWTH OF CONSTITUTIONAL POWER IN THE UNITED STATES. By Carl Brent Swisher. Chicago: University of Chicago Press, 1946, 261 p. $2.50.

A comprehensive appraisal of the evolution of the Constitution and its guardian, the Supreme Court, by a professor of political science at the Johns Hopkins University.

NATIONAL PRODUCT IN WARTIME. By Simon Kuznets. New York: National Bureau of Economic Research, 1945, 156 p. $2.00.

A statistical study of American experience.

GUIDEPOSTS TO A FREE ECONOMY. By Harley L. Lutz. New York: McGraw-Hill, 1945, 206 p. $2.00.

A professor of finance at Princeton University presents the case for "orthodox" fiscal policies, particularly as they relate to taxation.

INFLATION AND THE AMERICAN ECONOMY. By Seymour E. Harris. New York: McGraw-Hill, 1945, 559 p. $5.00.

A comprehensive, statistic-laden treatise by a onetime Director of the Office of Export-Import Price Control of the Office of Price Administration.

OUR OIL RESOURCES. Edited by Leonard M. Fanning. New York: McGraw-Hill, 1945, 331 p. $4.00.

A coöperative work dealing with current oil production practices and the prospects for production in the future, illustrated with tables, charts and maps.

AGRICULTURAL PRICE CONTROL. By Geoffrey S. Shepherd. Ames (Ia.): Collegiate Press, 1945, 361 p. $3.75.

A scholarly treatise on American practices and experience in recent years.

AVIATION FACTS AND FIGURES, 1945. Edited by Rudolf Modley. New York: McGraw-Hill, 1945, 173 p. $2.50.

This little manual consists largely of statistics on all phases of the aircraft industries.

UNCLE SAM'S BILLION-DOLLAR BABY. By Frederick L. Collins. New York: Putnam, 1945, 174 p. $2.50.

Mr. Collins is so anxious to discredit the TVA that he does not let inconvenient facts stand in his way.

LABOR POLICY OF THE FEDERAL GOVERNMENT. By Harold W. Metz. Washington: Brookings Institution, 1945, 284 p. $2.50.

An objective and thoroughly documented examination of the labor policy of the greatest employer in the country.

A NATION OF NATIONS. By Louis Adamic. New York: Harper, 1945, 399 p. $3.50.

Mr. Adamic has here collected a great deal of material about the contribution made to American life by some of the non-Anglo-Saxon peoples who emigrated to this country. There is a bibliographical appendix.

CIVILIZATION AND GROUP RELATIONSHIPS. Edited by R. M. MacIver. New York: Harper, 1945, 177 p. $2.00.

A series of addresses and discussions dealing with the general problem of how to integrate minority groups more fully into our national life.

AMERICANS OF JAPANESE ANCESTRY. By Forrest E. LaViolette. Toronto: Canadian Institute of International Affairs, 1945, 185 p. $2.50.

A sociological study of the problems created by their assimilation into American life.

RIOTS AND RUINS. By A. Clayton Powell, Sr. New York: R. R. Smith, 1945, 171 p. $2.00.

The Negro's demand for equal opportunity in America stated by a Harlem pastor.

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WASHINGTON TAPESTRY. By Olive Ewing Clapper. New York: Whittlesey House, 1946, 303 p. $2.75.

Keen observations on political and social life in Washington, by the widow of the late Raymond Clapper.

Western Europe

SÉCURITÉ DE L'OCCIDENT: RUHR — RHIN. By Louis F. Aubert. Paris: Colin, 1946, 139 p. Fr. 80.

The author doubts whether the military use of atomic energy has rendered obsolete the age-old strategic importance of the Rhine and the Ruhr to the security of France and the western world. He therefore reviews these complex questions — including the disarmament of Germany and the operation of collective security — in the light of postwar conditions.

FRANCE: A SHORT HISTORY. By Albert Guérard. New York: Norton, 1946, 274 p. $3.00.

An admirably lucid and engaging interpretation of French history.

THE STRUGGLE FOR FRENCH DEMOCRACY. By Cyril Claydon. London: Lawrence, 1945, 138 p. 5/.

A lopsided and generally unreliable review of recent French history written from the Communist point of view.

I ACCUSE DE GAULLE. By Henri de Kerillis. New York: Harcourt, 1946, 270 p. $2.75.

M. de Kerillis arraigns de Gaulle on several counts, notably that he accepted the collaboration of *Cagoulards* and that he entertained personal ambitions of a Napoleonic character. This is not an objective book, and it is not meant to be. The author, who was long identified with reactionary journals in Paris, and who was at one point a de Gaullist, has changed his mind from time to time on many questions. The French edition, first published last fall in Canada, was suppressed in France.

MESSAGES (1941–1944). By Jacques Maritain. New York: Maison Française, 1945, 221 p. $1.50.

A collection of addresses sent by M. Maritain over the short-wave radio from Britain and America to his countrymen in France between 1941–44. The author, a noted Catholic philosopher, is at present French Ambassador to the Vatican.

LIBÉRATIONS. By Jacques de Lacretelle. New York: Brentano, 1945, 144 p. $1.50.

Essays written by a member of the French Academy during the period immediately following the liberation of Paris.

SUITES FRANÇAISES. Compiled by Léon Cotnareanu. New York: Brentano, 1945, 2 v. $4.00.

The compiler has selected some 250 articles that appeared in the Paris newspaper *Figaro* between 1934 and 1940. Written by many noted men and women, most of them French, they deal in part with contemporary political and international problems.

LETTRES D'UN EUROPÉEN. By Maurice Druon. Algiers: Charlot, 1944, 120 p. Fr. 95.

Eight letters to persons of divers nationalities expressing hope in a rebirth of European life and culture.

THE FRENCH RAILROADS AND THE STATE. By Kimon A. Doukas. New York: Columbia University Press, 1945, 287 p. $3.50.

A scholarly monograph running the full course of French railroad history to 1937.

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THE LESSON OF GERMANY: A GUIDE TO HER HISTORY. By Gerhart Eisler and Others. New York: International Publishers, 1945, 222 p. $2.50.

This is a Communist interpretation of modern German history. The authors devote only a score of pages to the period before 1848, presumably on the theory that what took place before the promulgation of Marx's "Communist Manifesto" is pre-history. They find the German people as a whole morally responsible for the Nazi régime and the war it inflicted on the world.

THE GERMANS IN HISTORY. By Prince Hubertus zu Loewenstein. New York: Columbia University Press, 1945, 584 p. $5.00.

The interpretation of German history to be found in this book is at the opposite pole from that expressed in the preceding volume. Prince Loewenstein is a Catholic who is enthralled by the idea that Germany is custodian of the unifying and civilizing mission of ancient and medieval Rome.

GERMANY FROM DEFEAT TO CONQUEST 1913–1933. By W. M. Knight-Patterson. London: Allen and Unwin, 1945, 622 p. 21/.

An amply documented history of the Weimar Republic, in which the author makes clear the failure of all the political parties, including the Socialist, to do anything effective toward establishing the indispensable bases for real democracy in Germany. There is a useful list of "books consulted."

GOERDELERS POLITISCHES TESTAMENT. Edited by Friedrich Krause. New York: Krause, 1945, 70 p. $1.60.

Goerdeler was Mayor of Leipzig and Price Control Administrator under the Nazis, whose advent to power he at first accepted. In 1936 he resigned as Mayor and in time became connected with the anti-Nazi opposition. In the fall of 1944 he was sentenced to hang for having allegedly prepared a government which was to have supplanted Hitler if the attempt on the Fuehrer's life in July of that year had been a success. His political testament, written in 1937, explains why he came to oppose Nazism. His reasons are those of a man who craves order, justice and a sound capitalist economy. He is not concerned about Nordic supremacy or anti-Semitism. This slender volume also contains a biographical sketch of Goerdeler and other short pieces by or about him.

THE CASE AGAINST THE NAZI WAR CRIMINALS. By Robert H. Jackson. New York: Knopf, 1946, 217 p. $2.00.

This is the text of Justice Jackson's opening statement for the United States at the Nuremberg trial, delivered on November 21, 1945, together with other documents.

THE TREATMENT OF DEFEATED GERMANY. By V. J. Jerome. New York: New Century, 1945, 107 p. $1.00.

An expression of the Communist point of view, by an editor of *Political Affairs*.

HAMMER OR ANVIL. By Evelyn Anderson. London: Gollancz, 1945, 207 p. 6/.

This "story of the German working class movement" is good for the period of the Weimar Republic but not for the periods before or after that era.

SEVEN WERE HANGED. Compiled by William Bayles. London: Gollancz, 1945, 80 p. 3/6.

This "authentic account of the student revolt in Munich University" of 1943, by an American journalist, is marred by the author's sentimentalizing.

THE CIANO DIARIES 1939–1943. Edited by Hugh Gibson. Garden City: Doubleday, 1946, 584 p. $4.00.

When Count Ciano was Fascist Foreign Minister it was no secret that he was keeping a political diary. Indeed, Mussolini from time to time told his son-in-law to include this or that item. But as the end of the neo-Fascist régime in northern Italy drew nigh, both Il Duce and his German masters made strenuous efforts to seize the Count's documents.

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Thanks to his wife, the diaries were smuggled to Switzerland, where they were microfilmed and sent to the United States. A much abridged and quite inadequate translation appeared soon thereafter in a number of American newspapers. We are assured that the present volume contains the full contents of Ciano's diaries from January 1, 1939, to December 23, 1943. The difficult job of translating his telegraphic prose and his slang has been competently handled, though one notes minor errors in such things as the spelling of names. Even allowing for Ciano's vanity, cynicism and dishonesty, one must concede that these diaries yield much of value to the historian. This is true both as regards concrete facts and general impressions. Most of the entries concern diplomatic affairs, and taken together constitute an inside story of the degradation and enslavement of Italy by Hitler through the folly of her Fascist rulers. Ciano's cutting remarks about his colleagues also throw an unflattering light on many a dark corner of Fascist Party politics. There is an introduction by Sumner Welles.

THE REBUILDING OF ITALY. By M. H. H. Macartney. New York: Cambridge University Press (Macmillan), 1945, 132 p. $1.25.

Mr. Macartney, former London *Times* correspondent in Italy, has a number of pertinent things to say about the prospects for democracy and prosperity in Italy. On the whole he is optimistic, though in a somewhat condescending way.

INITIATION À L'ESPAGNE: ESPAGNE — HISPANITÉ — CHRÉTIENTÉ. By Pierre Jobit. Barcelona: Editorial Juventud, 1945, 128 p. Ptas. 12.

A French abbé expatiates on the traditional virtues of the Old Spain. The preface is provided by Eduardo Aunós Pérez, who was recently rejected as Spanish Ambassador by the Brazilian Government because of his pro-Nazi and anti-American activities as revealed by the documents published by the United States Department of State.

REPERTORIO DIPLOMÁTICO ESPAÑOL. By J. López Oliván. Madrid: Consejo Superior de Investigaciones Científicas, 1944, 671 p. Ptas. 85.

An index of the treaties to which Spain has been a party between 1125 and 1935, together with certain other international documents. The references are arranged chronologically, by country, and by subject.

LA DOMINACIÓN ROJA EN ESPAÑA. Madrid: Ministerio de Justicia, 1944, 264 p. Ptas. 12.

This is an officially compiled collection of documents, photographs and other material, selected to demonstrate the barbarities of the Communist forces during the Civil War.

ALFONSO XIII. By Princess Pilar of Bavaria and Major Desmond Chapman-Huston. Barcelona: Editorial Juventud, 1945, 325 p. Ptas. 35.

A sympathetic review of the events of Alfonso's reign and an intimate picture of his family and court life, by his elder sister.

Eastern Europe

LES RELATIONS GERMANO-SOVIÉTIQUES DE RAPALLO JUSQU'À L'AVÉNEMENT DE HITLER. By Hugo Kummel. Vienne (Isère): Blanchard, 1945, 47 p.

This brief monograph traces the course of political and economic relations between Weimar Germany and Russia from 1920 to 1933.

SOVIET POLITICS AT HOME AND ABROAD. By Frederick L. Schuman. New York: Knopf, 1946, 663 p. $4.00.

When he chose to describe and appraise the course of Russian affairs since 1917, Professor Schuman cut out for himself a job of well-nigh superhuman dimensions. No matter what approach he followed or what conclusions he reached, he was bound to trample on many ideological toes and outrage many vested interests. According to his

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lights he has tried to get at the real springs of Soviet action, whether they be political, economic, social or psychological. If he has any preconceptions, they are dictated by individual preference and not by party line. One of his preferences is for understanding and peace between Russia and the west, rather than suspicion and hostility. He has no doubt made mistakes of fact and inference, but these are due more than anything else to the absence of a common body of universally accepted knowledge about Russia.

THE GREAT RETREAT. By Nicholas S. Timasheff. New York: Dutton, 1946, 470 p. $5.00.

The author is a Russian who emigrated in 1921 and is now a professor at Fordham University. He has read and digested an immense amount of material, much of it from Soviet sources. One is grateful for his having assembled these data, even if one is unwilling to accept all the implications he has drawn from them. His principal conclusion is that Russia is now returning to a period of nationalism and class distinctions.

THE PEOPLES OF THE SOVIET UNION. By Corliss Lamont. New York: Harcourt, 1946, 229 p. $3.00.

An illustrated compendium of facts concerning the many different racial, linguistic and national groups that make up the Soviet Union and its component parts. The author, an inveterate American friend of the Soviet Union, underlines the effectiveness of the Kremlin's policy of encouraging cultural diversity among its peoples.

THE FIRST FIVE YEARS OF THE COMMUNIST INTERNATIONAL, Vol. I. By Leon Trotsky. New York: Pioneer Publishers, 1945, 374 p. $2.50.

This is an English translation of a book first published in Russian at Moscow in 1925, together with Trotsky's introduction written in 1924. Most of the material first appeared in such places as *Izvestia*, or was delivered by Trotsky in the form of speeches.

I CHOSE FREEDOM. By Victor Kravchenko. New York: Scribner, 1946, 496 p. $3.50.

The author served the Soviet Government as an engineer and an industrial executive for a number of years, until he finally "chose freedom" while on the Soviet Purchasing Commission in Washington. The record of his experiences is one of slavery and terror on a mass scale. Allowing for the fact that the author is a disillusioned man, there still is much in it which both students of Soviet history and the general public will find of interest, for example, his account of the 1932–33 famine in the Ukraine and the gigantic purges in the middle of that decade.

JOURNEY THROUGH CHAOS. By Victor Alexandrov. New York: Crown Publishers, 1945, 437 p. $3.00.

This story of the endless misadventures of a young Russian, cast adrift by the Revolution, would be incredible were it not that we live in an incredible age.

BALTIC ESSAYS. By Alfred Bilmanis. Washington: Latvian Legation, 1945, 267 p.

Over two score essays on the history and current affairs of the Baltic states and their larger neighbors, by the Minister of Latvia in Washington.

PRVNÍ KROKY. By Helena Koželuhová. Prague: Atlas, 1945, 75 p. Kč. 15.

A nationalist writer recommends that the crucial issues of postwar Czechoslovakia be approached in a rational spirit.

THE BALKAN STATES. By George E. Mylonas. St. Louis: The Author, 1946, 208 p. $2.50.

This "introduction" to the history of the lower Balkans is somewhat episodic and not overly scientific. The author devotes special attention to the Macedonians, whom he does not regard as constituting a nation.

TROUBLE ZONE. By Leon Dennen. Chicago: Ziff-Davis, 1945, 173 p. $1.50.

Mr. Dennen is rather cynical about the chances of setting up a really democratic régime in the Balkans and the Near East in view of the policies of the Great Powers.

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QUELQUES NOTES SUR LES COMMUNICATIONS DANS LES BALKANS. By Lubin Bochkoff. Sofia: Academie Bulgare des Sciences et des Arts, 1945, 43 p. Leva 200.

An engineer's report on the present state and future needs of the railway systems in the lower Balkans, of the bridges over the Danube, and of the means of access to the ports on the Aegean Sea. There are 16 maps, three figures and a number of statistical tables. The author was formerly Director General of Bulgarian Railways and Ports.

GREECE. By A. W. Gomme. New York: Oxford University Press, 1946, 131 p. $1.25.

A competent survey of the geography, recent political history and socio-economic development of the Greek people, illustrated with photographs, maps and statistics.

The British Commonwealth of Nations

THE ENGLISH WAY. By Pierre Maillaud. New York: Oxford University Press, 1946, 312 p. $3.75.

A Frenchman, many years a resident in Britain, has managed much better than most foreigners to capture the flavor of English life and to comprehend the inner springs of the English political and social system.

GROOVES OF CHANGE. By Viscount Samuel. Indianapolis: Bobbs-Merrill, 1946, 378 p. $3.75.

The memoirs of a leading Liberal statesman who held various responsible positions, including the High Commissionership in Palestine from 1920 to 1925.

COUNTIES OF CONTENTION. By Benedict Kiely. Cork: Mercier, 1945, 195 p. 7/6.

Mr. Kiely reviews the story of the partition of Ireland and assesses some of its political and social implications. Though he represents the "southern" Irish point of view, he tries, not without considerable success, to be fair in his judgments.

FOREIGN POLICY OF AUSTRALIA. By the Rt. Hon. H. V. Evatt. Sydney: Angus and Robertson, 1945, 266 p. 10/6.

Some two dozen interesting addresses made between November 1941 and February 1945 by the Australian Minister for External Affairs.

AUSTRALIA COMES OF AGE. By A. Grenfell Price. Melbourne: Georgian House, 1945, 159 p. 4/6.

An excellent little introduction to the growth of Australian nationalism and the development of Australian foreign policy.

AUSTRALIA THE NEW CUSTOMER. By Howard Daniel and Minnie Belle. New York: Ronald, 1946, 369 p. $4.50.

A well arranged compendium of information on the economy of Australia, compiled primarily with the American businessman in mind.

PAKISTAN OR PARTITION OF INDIA. By B. R. Ambedkar. Bombay: Thacker, 1945, 481 p. Rs. 15/12.

This is the second edition of a thoroughgoing study of the problems involved in the proposal to set up a separate Moslem state in India. The work is well documented and is supplied with appendices and a map.

CONSTITUTIONAL PROPOSALS OF THE SAPRU COMMITTEE. Compiled by Sir Tej Bahadur Sapru and Others. Bombay: Padma, 1945, 346 p. Rs. 7/8.

The text of the proposals, and an account of the reasoning behind them, drawn up by a committee of the Non-Party Conference in India. Among the things on which the committee took a stand was opposition to the Moslem demand for a separate Pakistan.

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THE FUTURE OF INDIAN STATES. By V. B. Kulkarni. Bombay: Thacker, 1944, 114 p. Rs. 4/12.

A tract urging the establishment of constitutional rule by the Indian Princes within their states. The author feels that only by so doing can their monarchical position be preserved and the welfare of their subjects be advanced.

The Near East

ISMET INÖNÜ VE IKINCI CIHAN HARBI. By Ali Kemal Meram. Istanbul: Ahmet Sait Kitabevi, 1945, 144 p.

This somewhat hastily prepared book, dealing among other things with the career of President Ismet Inönü and with certain aspects of World War II, is useful chiefly as a representative Turkish reaction to contemporary events. The author has included the texts of several treaties and other international agreements to which Turkey is a party.

TO WHOM PALESTINE? By Frank Gervasi. New York: Appleton-Century, 1946, 213 p. $2.50.

A correspondent for *Collier's*, who has been in Palestine a number of times during recent years, decides that the Zionist aspiration for a Jewish state deserves the support of the civilized world. He discusses, with verve if not always with objectivity, such matters as oil, British imperial interests, anti-Semitism and the pro-Axis orientation of certain Arab leaders.

THE ZIONIST MOVEMENT. By Israel Cohen. London: Muller, 1945, 352 p. 12/6.

A readable history of the Zionist movement and an evaluation of its effectiveness in solving the Jewish problem.

EDUCATION IN PALESTINE 1920–1945. By Noah Nardi. Washington: Zionist Organization, 1945, 255 p. $3.00.

A history and appraisal of educational progress under the Mandate.

THE PALESTINE YEAR BOOK: 5706. Vol. I. Edited by Sophie A. Udin. Washington: Zionist Organization, 1945, 531 p. $3.50.

This first issue of a proposed series contains a review of events in Palestine from July 1944, to July 1945, in particular as they concern the Jewish inhabitants. A number of writers contribute articles on a wide variety of specific subjects.

The Far East

NEW FRONTIERS IN ASIA. By Philip Jaffe. New York: Knopf, 1945, 375 p. $3.00.

This is a critique of economic and political imperialism in eastern Asia, by the editor of the review *Amerasia*. It is an able demonstration that the days of this unequal relationship must soon end. The rather uncritical praise which Mr. Jaffe has for Soviet policy and the Chinese "Communists," and the vehemently expressed disapprobation he shows toward all acts of the Kuomintang and of the American State Department, destroy one's confidence in his impartiality.

CHINA IN THE SUN. By Randall Gould. Garden City: Doubleday, 1946, 403 p. $3.50.

The views of the author, who was formerly editor of the *Shanghai Evening Post and Mercury*, an American paper, are eminently tolerant and fair-minded, as is seen, for example, in his treatment of the Communists. He covers a wide gamut of Chinese problems — political, economic and social. He notes the remarkable progress already made during the last generation and is optimistic about the future.

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SHINTO: THE UNCONQUERED ENEMY. By Robert O. Ballou. New York: Viking, 1945, 239 p. $2.75.

A compact history of the development of Shinto as the state religion of Japan, supplemented with extensive quotations from certain Japanese texts (in translation) which in the author's opinion illustrate this development.

QUIET SKIES ON SALWEEN. By Ellen Thorp. London: Cape, 1945, 175 p. 7/6.

This story of an English family in the Shan States of northern Burma presents a vivid picture of conditions in that faraway land before the penetration of modern ways.

THE PEOPLES OF MALAYSIA. By Fay-Cooper Cole. New York: Van Nostrand, 1945, 354 p. $4.00.

An authoritative, illustrated and quite readable survey of the economic, social and cultural life of the natives in Malaya, the Dutch East Indies and the Philippine Islands. The author, who has carried on extensive research in that part of the world, is head of the department of anthropology at the University of Chicago.

SCIENCE AND SCIENTISTS IN THE NETHERLANDS INDIES. Edited by Pieter Honig and Frans Verdoorn. New York: Board for the Netherlands Indies (Stechert), 1945, 491 p. $4.00.

A compendious work in which some of the contributions deal with the people, resources and economic organization of the Dutch East Indies.

BIBLIOGRAPHY OF INDONESIAN PEOPLES AND CULTURES. By Raymond Kennedy. New Haven: Yale University Press, 1945, 212 p. $2.50.

The entries are arranged by area and are mostly articles from Dutch periodicals.

BACKWASH OF EMPIRE. By M. Kathleen Woodburn. Melbourne: Georgian House, 1944, 223 p. 10/6.

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The first part of the revised edition of an important reference work. There are to be seven parts in all. The one for Central America has already been published.

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An important source for sound information concerning the country and the people: their history, economic resources, social organization and cultural problems.

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SOURCE MATERIAL

By Ruth Savord

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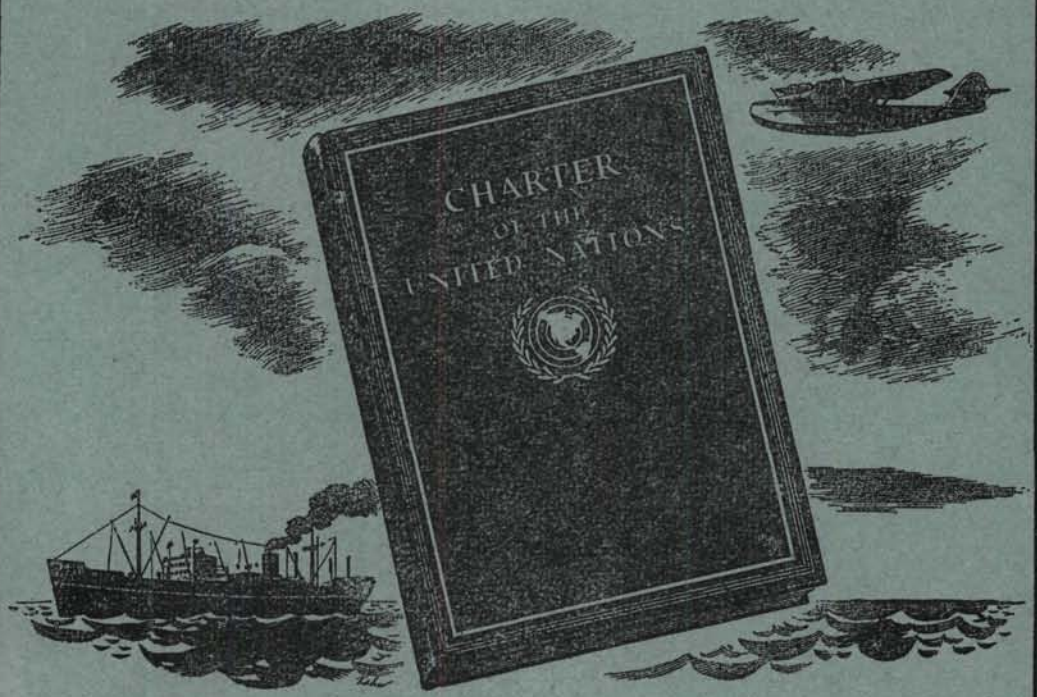

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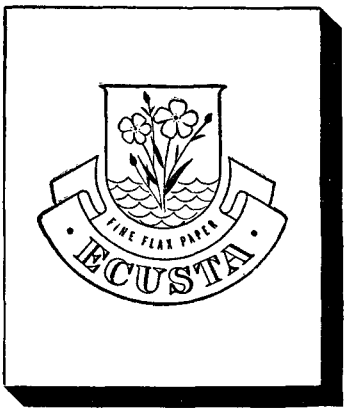

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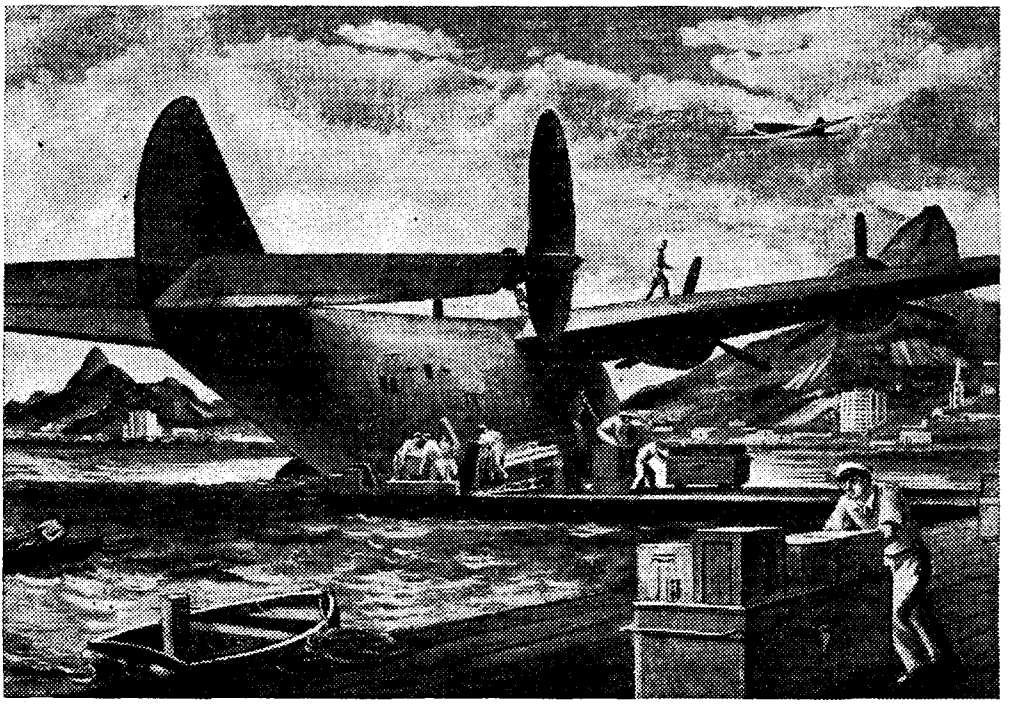

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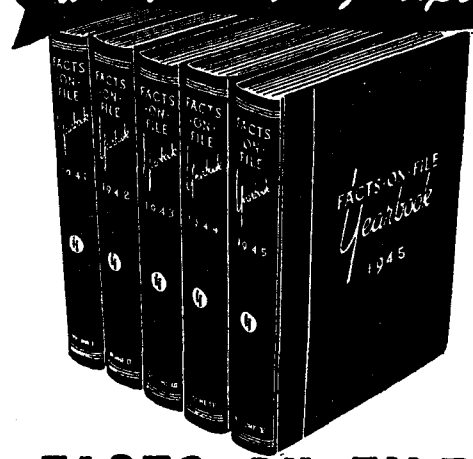

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Sworn to and subscribed before me this 18th day of Sept., 1945. ESTHER L. GILBERT. (My commission expires March 30, 1946.)

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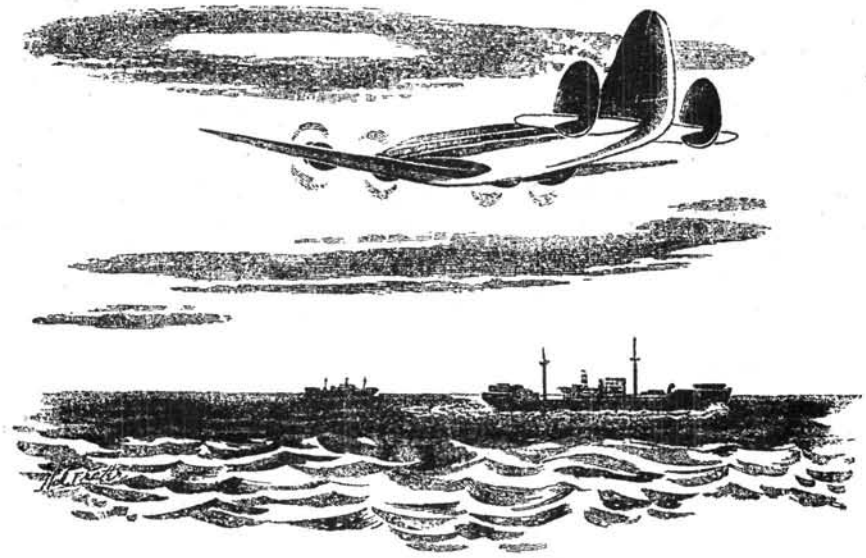

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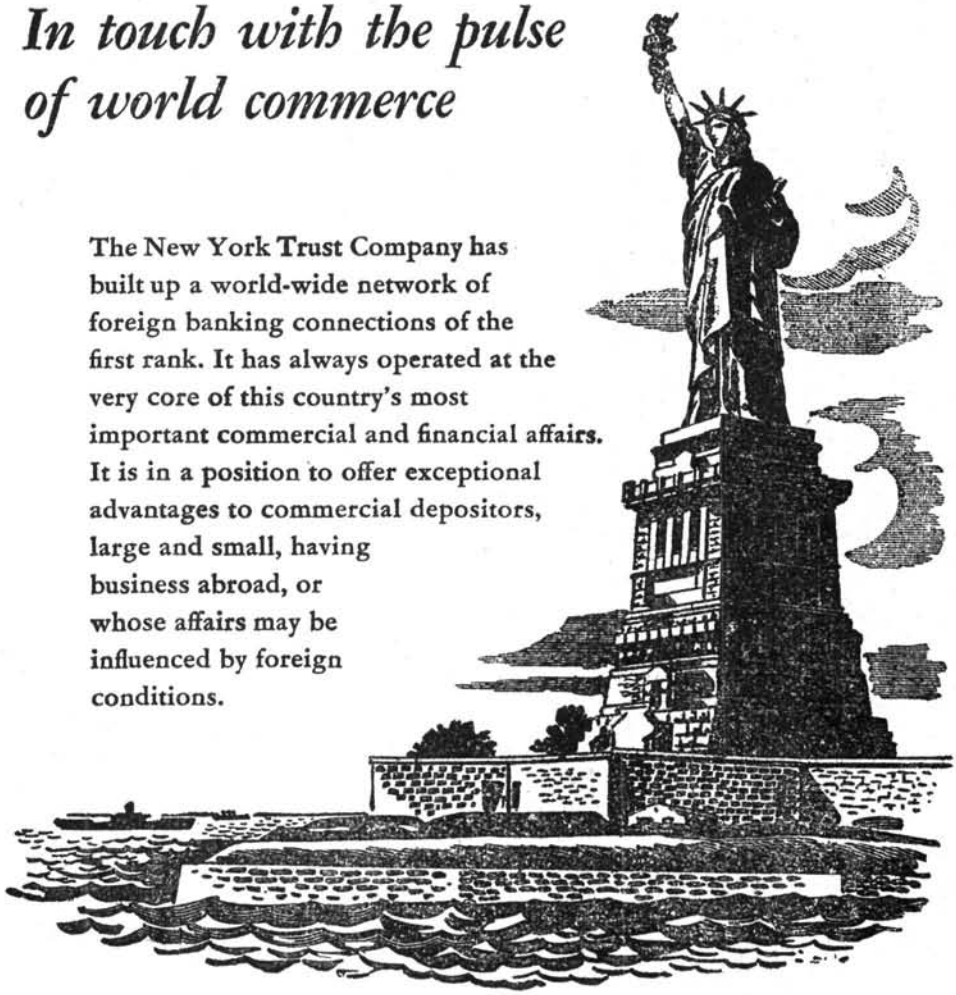

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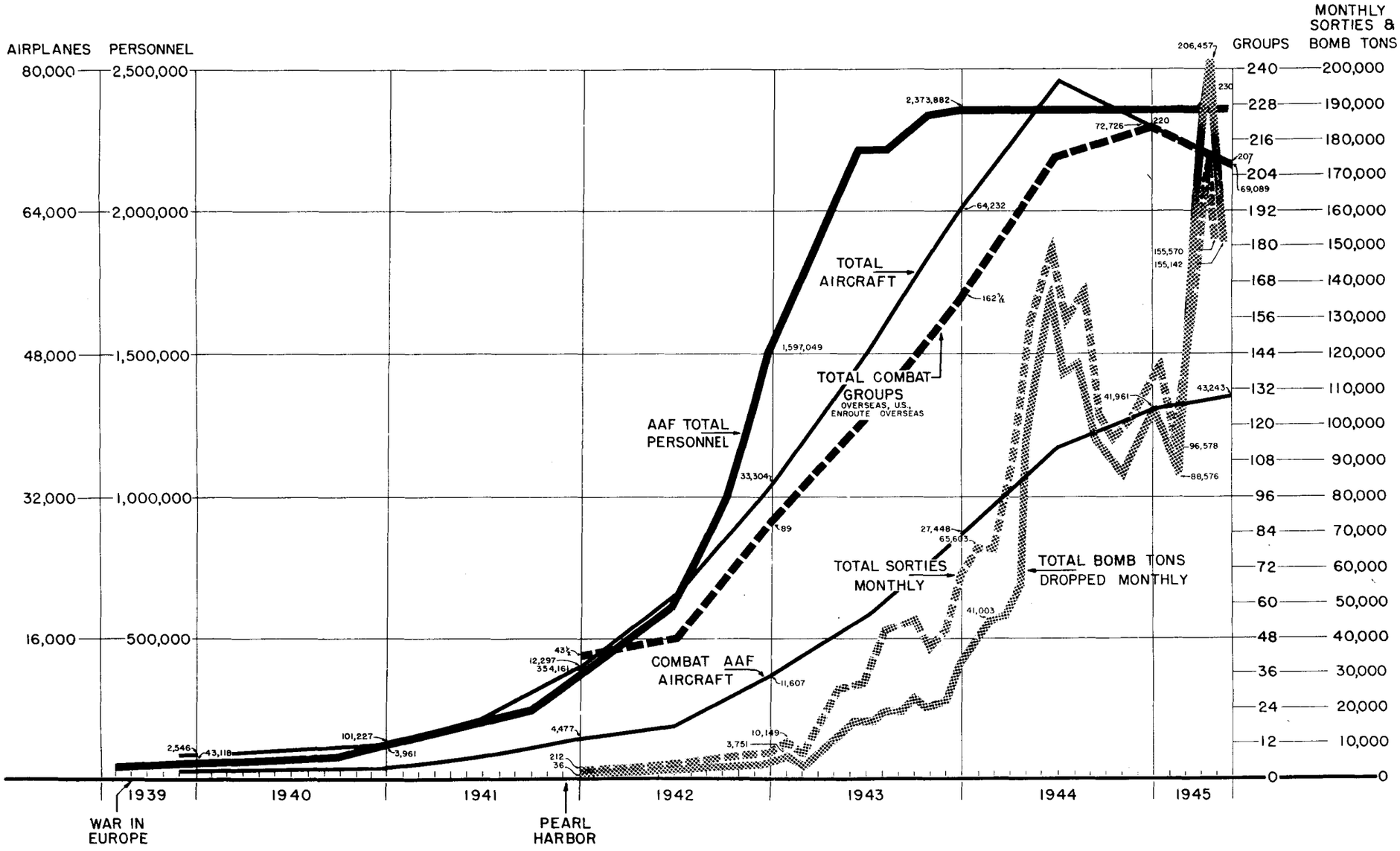
EXPANSION OF UNITED STATES ARMY AIR FORCES, 1939-1945

Chart Showing Time Lag between Induction of Personnel and Their Translation into Effective Fighting Units



The above chart shows the wartime expansion of the U. S. Army Air Forces in total personnel, total number of aircraft (including trainers), total number of combat groups (including those overseas, en route overseas, and in the United States, but excluding trainer and training groups in the United States) and total number of combat aircraft. It also shows the total number of monthly sorties and the total bomb-tons dropped monthly. The purpose is to provide a rough measure of the development of the effective fighting strength of the Army Air Forces.

A sortie is one flight by one airplane on a combat mission. A single bombing mission involving formations of bombers and fighters might require a thousand sorties at one time. No exact statistical measure of combat effectiveness is feasible. Accuracy of bombing, destructive power of individual bombs, susceptibility of the target to damage, and recuperative ability of the enemy after bomb attack, all are factors in combat effectiveness. So is the ratio of one's own losses to enemy aircraft shot down.

The chart reveals clearly, however, that more than two years of peacetime expansion (from the summer of 1939, just before the war began in Europe, to the summer of 1941 preceding Pearl Harbor) resulted in an increase in the personnel of the Air Force by tenfold, but that even with this increase it remained relatively ineffective by any standard.

By the end of 1942, personnel had reached 1,597,049, roughly two-thirds of the total eventually enrolled. The number of sorties and the tonnage of bombs dropped monthly were, however, still relatively small. The lines on the chart representing sorties and total bomb-tons dropped do not rise sharply until the spring of 1944.

(Chart prepared by Facilities Branch, A-5 [Plans], Army Air Forces.)

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